

THE CONNECTICUT CAMPAIGN FINANCE LAW

A GUIDE FOR POLITICAL COMMITTEES ESTABLISHED BY A BUSINESS ENTITY, ORGANIZATION, OR TWO OR MORE INDIVIDUALS

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INTRODUCTION

This publication is designed to serve as a guide for groups and entities which desire to raise and expend funds and other resources in connection with elections or primaries for non-federal offices held in Connecticut at the state, district or local level.

Connecticut's campaign finance laws are set forth in Chapter 150 of the Connecticut General Statutes, §9-333 *et seq.* Generally, before funds or other resources may be solicited or received, or expenditures made, by or for a group of individuals or an entity, a political committee must be registered with the Secretary of the State or the municipal clerk.

(Sections 9-333d, 9-333e(a)-(b), and 9-333g(b), General Statutes)

Any political committee established to fund political campaigns has, through its treasurer, periodic public disclosure requirements pertaining to the political committee's financial transactions. A committee's treasurer also has internal record-keeping duties, must comply with limitations on the sources and amount of funds or resources the political committee may receive from donors, and similar responsibilities concerning expenditures that can be made to or for the benefit of any candidate or to promote a political party. It is the personal responsibility of the committee's treasurer to ensure that the committee fully complies with all of the statutory requirements relating to campaign financing.

This Guide focuses exclusively on the laws regulating a political committee established by a firm, partnership, organization, association, syndicate, corporation or any other kind of legal entity, including businesses or labor organizations, and any group of two or more individuals organized on an ongoing basis.

Political committees established to fund slates of town committee primary candidates, or slates of candidates for elective office, as well as political committees establish to support or oppose a ballot question, are beyond the scope of this publication. Additionally, committees formed for a single election or primary to support a single candidate are also beyond the scope of this publication. These types of political committees are covered in separate Commission publications.

Anyone using this Guide is advised to refer to the specific statutory provisions, regulations and advisory opinions of the Commission referenced throughout. This Guide incorporates all of the changes made by the General Assembly to Chapter 150 of the Connecticut General Statutes as of July 1, 2004.

Copies of the campaign finance laws are available at the State Elections Enforcement Commission's office and at its website (www.seec.state.ct.us).

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I. DEFINITIONS OF PRINCIPAL TERMS

What is a Political Committee?

A political committee includes committees established in this state by the following: business entities, labor unions and other organizations, trade or professional associations, other entities, and groups of at least two individuals. Political committees formed to support or oppose candidates for non-federal elective office in Connecticut at the state or local level may have an ongoing existence or may be formed for only a single election or primary. Similarly, political committees formed for ballot questions may have an ongoing existence or may be formed only for a single ballot question.

(Section 9-333a(3), General Statutes)

While a candidate may not authorize an ongoing political committee to be the designated funding vehicle for receiving and depositing contributions, funds, goods and services to the candidate's campaign, political committees may be donors to the candidate's authorized committee for purposes, and in amounts, described in this Guide.

(Section 9-333a(3), (4), General Statutes)

What is a Business Entity?

A business entity includes a stock corporation, bank, insurance company, limited liability company, business association, bankers association, insurance association, trade or professional association receiving funds from membership dues and other sources, partnership, joint venture, private foundation, trust or estate, cooperative or other association, and any similar organization or entity which is engaged in the operation of a business or profit-making activity.

Note: a solely owned professional service corporation or a sole proprietorship is considered an individual and not a business entity.

(Section 9-333a(7), (8), General Statutes)

What is an Organization?

An organization includes any labor organization, employee organization, bargaining representative organization for teachers, local, state or national organization to which any labor organization pays fees or membership dues, as well as any trade or professional association receiving its funds exclusively from membership dues. However, if the membership in such trade or professional association includes business entity members, such as a professional service corporation that is not owned by a single individual, then such a trade or professional organization is deemed to be a business entity and not an organization for purposes of the campaign financing laws.

(Section 9-333a(6), General Statutes)

Who is an Individual?

An individual is a human being, a sole proprietorship, or a professional service corporation organized under Chapter 594a of the Connecticut General Statutes and owned by one individual.

(Section 9-333a(8), General Statutes)

What is a Party Committee?

A party committee may be a local town committee of a political party or the state central committee, but does not include party-affiliated district, ward or borough committees.

(Section 9-333a(2), General Statutes)

What is a Candidate Committee?

A candidate committee is a committee designated by a candidate to promote his or her nomination or election to a specific office. A candidate committee may only be utilized to support one candidate.

(Section 9-333a(4), General Statutes)

What is a "Slate" Committee?

A slate committee is a political committee formed by two or more individuals, within the same municipality, who are candidates in the same election or primary, for the sole purpose of funding their campaigns.

What is an Exploratory Committee?

An exploratory committee is a political committee formed by a candidate who has not yet determined what office to seek. The sole purpose of such a committee is to decide which office to seek in a particular election.

(Sections 9-333f(c), 9-333j(f), General Statutes)

What is a Candidate Committee or Exploratory Committee for General Assembly or State Office?

It is a candidate committee designated by a candidate for a) the following state offices: *Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer or Secretary of the State*, or b) for the following General Assembly offices: *State Senator or State Representative*. In the case of an exploratory committee, it is a committee designated by an individual who has not ruled out exploring any of the foregoing offices.

What is a Ballot Question?

A ballot question is a referendum or a proposal, including a proposal to amend the Connecticut Constitution, which is printed on the ballot label and submitted to Connecticut electors or other qualified voters of a Connecticut municipality for their approval or disapproval.

(Section 9-333a(14), General Statutes)

Who is a Committee Chairperson?

A committee chairperson may be any individual who has signed the committee's registration statement as the designated chairperson. The chairperson is responsible to appoint and designate the treasurer and deputy treasurer of the committee on the committee's registration statement, along with other required information.

(Section 9-333g, General Statutes)

Who is a Committee Treasurer?

A committee treasurer may be any Connecticut elector who is appointed to serve as treasurer by the political committee's chairperson. Commissioners and deputy commissioners of state agencies are prohibited from serving as a committee treasurer. The committee treasurer is the only individual who has authority to deposit funds into, or expend funds from, the committee's depository account. Only one individual may serve as treasurer at any one time.

(Sections 9-333a(11), 9-333g(a), 9-333x(11), General Statutes)

Who is a Deputy Treasurer?

A deputy treasurer must have the same qualifications and be appointed in the same manner as the committee treasurer. The purpose of appointing a deputy treasurer is to have an individual on hand who may function as the treasurer in the event that the treasurer is unable to perform the required duties of the treasurer. Only one individual may be appointed as deputy treasurer at any one time. Commissioners and deputy commissioners of state agencies are prohibited from serving as a deputy committee treasurer. The appointment of a deputy treasurer is optional for all committees.

(Sections 9-333a(12), 9-333g(a), General Statutes)

Who is a Solicitor?

A solicitor is any individual who is appointed by the treasurer to receive funds or resources on behalf of the political committee. There are no limitations on the number of solicitors that the treasurer may appoint on behalf of the committee. Receiving funds and resources (a solicitor) is different than merely asking that donations be given to a committee. However, certain individuals are restricted from requesting donations and accepting donations on behalf of a committee, see section entitled "GENERAL PROHIBITIONS AND PENALTIES," "Prohibited Solicitations," on Page 49.

(Sections 9-333a(13), 9-333h(c), General Statutes)

What is a Depository Institution?

A depository institution is any financial institution situated in or having an office in Connecticut, including but not limited to a bank, savings and loan association, or credit union. It is the treasurer's obligation to establish a single checking account for the deposit of all funds received by the committee. Further, all committee expenditures must be made from this account.

(Sections 9-333d(a), 9-333i, General Statutes; State Elections Enforcement Commission Advisory Opinion No. 75-6)

What is a Lobbyist?

A lobbyist is any individual, or any organization or entity which receives compensation or makes or agrees to make expenditures in excess of \$2,000 per calendar year to communicate with, or solicit others to communicate with any official, or member of such official's staff, within the legislative or executive branch of state government, for the purpose of influencing any state legislative or executive administrative action. Lobbyists are required to register with the State Ethics Commission.

(Section 1-91(l), General Statutes)

What is a Political Committee Established by or on behalf of a Lobbyist?

A political committee established by or on behalf of a lobbyist is a committee in which a lobbyist is an officer or treasurer, or which was created in consultation with, at the request or suggestion of, or controlled by a lobbyist or his agent. A political committee established by or on behalf of a lobbyist must identify its affiliation on the committee's registration statement.

(Section 9-333g(b)(14), General Statutes)

As described later in this Guide in more detail, a political committee established by or on behalf of a lobbyist is barred from providing funds or resources to certain candidates and certain political committees while the Connecticut General Assembly is in session. See section entitled "Lobbyist Ban On Campaign Gifts to Candidates for State Offices and General Assembly," on Page 42.

(Section 9-333l(e), General Statutes; Commission Declaratory Ruling, May 8, 1991)

What is a Political Committee Established by or on behalf of a Statewide Officer or a Member of the General Assembly?

A political committee established by or on behalf of a statewide officer or a member of the General Assembly means a political committee to aid or promote the nomination or election of any candidate or candidates to a statewide office or to the General Assembly and which was created with the knowledge or consent of any statewide officer or member of the General Assembly, or any agent of such officer or member.

(Section 9-333l(f), General Statutes)

What is a Contribution?

A contribution includes any gift, loan, payment or expenditure of money, goods or anything of value made for the purpose of influencing the nomination or election of any individual to office, or which promotes the success or defeat of any political party or ballot question.

A contribution may be monetary or non-monetary (In-Kind Contribution). All contributions are counted towards the aggregate contribution limits that apply to the particular donor.

It is important for the treasurer to determine whether or not a receipt or expenditure constitutes a contribution that counts against the aggregate contribution limits allowed from the particular donor. These limits are discussed later in the section entitled "RESPONSIBILITIES OF THE TREASURER," on Page 14.

The following are examples of transactions that generally constitute contributions:

- A gift of money by an individual, which may be by cash, personal check, other bank instrument or by credit card. An individual may not make a cash contribution in excess of \$100 to a political committee during the calendar year. Any contribution in excess of \$100 must be made by personal check of the individual or credit card.

- The transfer of monetary or non-monetary assets by a committee to another committee. Any monetary contribution by a political committee to another political committee or to a candidate committee or party committee must be made by check drawn on the donor committee's designated depository account. Political committee checks must have the political committee's name and address typed, stamped, or printed, other than by hand, on the face of the check.
- The receipt or gift of goods, services or anything of value given free of charge or at less than the usual charge (discount) to the recipient committee. Non-monetary receipts or expenditures which are contributions are referred to as "In-Kind Contributions." An In-Kind Contribution must be valued at the usual and normal charge less any amount paid by the recipient committee. An In-Kind Contribution includes such things as the use of real property for a committee headquarters, the use of personal property such as a computer, facilities, supplies, equipment and mailing lists.
- A loan of money made by any individual or entity other than a national or state bank in the ordinary course of business. Repayments made on the loan reduce the amount of the contribution. A guarantee of payment on a loan by a third party is not a contribution unless the committee defaults on the loan and the guarantor makes payment in satisfaction of the obligation. For further discussion on loans see section entitled "SPECIAL TOPICS," "A Loan is Contribution," on Page 38.
- An expenditure by the political committee made with the consent, knowing participation, or consultation of a candidate or his or her committee, treasurer or other agent, constitutes an In-Kind Contribution to the committee. By contrast, an independent expenditure is one which is not made with the cooperation of, in consultation with, at the request or suggestion of the candidate, his or her committee, treasurer or agent. An independent expenditure is not a contribution.
- An extension of credit for a length of time beyond normal business or trade practice is a contribution unless the creditor makes a commercially reasonable attempt to collect the debt.
- A written contract, promise or agreement to make a contribution.

(Section 9-333b(a), General Statutes)

What is an Anonymous Contribution?

An anonymous contribution is given without the contributor present and with no information about the contributor known or provided. The treasurer must be incapable of discerning the identity of the contributor.

Are Certain Monetary and Non-Monetary Receipts or Expenditures Not Considered Contributions?

Yes. There are various types of monetary and non-monetary receipts or expenditures which, depending upon the source, the amount or value of the receipt or expenditure and whether or not the receipt or expenditure is provided or made for a fund-raising affair, are not considered contributions.

The following are examples of receipts or expenditures which, although they may have to be otherwise reported, are not considered contributions, and are therefore not counted against the aggregate contribution limits:

- A loan of money made to a committee in the ordinary course of business by a bank or other financial institution.

(Section 9-333b(b)(1), General Statutes)

- Interest paid to the committee by the committee's bank.
- Communications advocating the election of the candidate made by a business entity, limited to its owners, stockholders, executive or administrative personnel or their family members, and similar communications made by an organization or association, limited to its members or their family members, are not contributions and this is true whether or not such communication is coordinated with the campaign of a candidate. A business entity, organization or association, in expressing its own views to its restricted class, may use brief quotations from speeches and other campaign-prepared material, but may not otherwise republish, in whole or part, campaign-prepared material. If a partisan communication is made to persons outside of this restricted class, such communication is a prohibited contribution. [Note: business entities and organizations are prohibited from making contributions and expenditures. See section entitled "Business Entity, Labor Union and other Organization Contribution and Expenditure Ban," on Page 45.]

(Section 9-333b(b)(2), General Statutes)

- Uncompensated services, such as legal or accounting services, provided by individuals volunteering their time to the committee.

(Section 9-333b(b)(4), General Statutes)

- Various types of receipts or expenditures occurring at a bona-fide fund-raising affair. See section entitled "FUND-RAISING AFFAIRS," on Page 31, which explains these transactions.
- The advance of a security deposit by an individual to a telephone company for telecommunications service for the committee, provided the security deposit is refunded to the individual. If the individual is not entitled to or loses entitlement to the refund, the deposit is a non-monetary receipt to the committee the value of which must be reported by the committee as an In-Kind Contribution.

(Sections 9-333b(b)(13), General Statutes)

What is an Expenditure?

An expenditure includes the following:

- A purchase or payment made, or the consumption of anything of value, for the purpose of influencing the nomination or election of any candidate, or to promote the success or defeat of any political party or ballot question.
- The transfer of funds or resources by the committee to another committee. However, as explained throughout this Guide, there are restrictions which apply to these transfers.

- An expense which has been incurred by the committee but not yet paid.

II. RESPONSIBILITIES OF THE CHAIRPERSON

Authorization of a Valid Funding Source

No funds or other resources may be solicited or received, and no expenditures may be made, by the political committee unless its chairperson first registers the committee with the appropriate filing repository, which is either the Secretary of the State or Town Clerk.

Designation and Registration of a Political Committee

The committee's chairperson is responsible, immediately following the organization and formation of the committee, to register the committee with the filing repository by filing a registration statement entitled "Political Committee Statement of Organization," Form ED-47. This form and all amendments thereto are referred to as "the registration statement" or "amended registration statement," as the case may be. A registration statement must contain the following information:

1. The name and address of the committee.
2. A statement of the purpose of the committee.
3. The name and address of the committee's treasurer and deputy treasurer, if a deputy treasurer is appointed.
4. The name, address and title of all other principal officers of the committee.
5. Identification of the name and address of a depository institution in Connecticut in which a single checking account is established for the committee's funds.
6. The name of each person, other than an individual, who is a member of the committee.
7. If the committee has been formed for a single election or single primary, list the candidates specifically supported or opposed. Provide the full name of each candidate, office sought and party affiliation.
8. If the committee supports the entire ticket of any political party, a statement to that effect and the name of the party.
9. If the committee supports or opposes any ballot question, a brief statement identifying the substance of each question.
10. If the committee is established by a business entity or organization, the name of the sponsoring business entity or organization.
11. If the committee is established by an organization, the manner in which it will be funded, namely, 1) whether it is exclusively through the treasury funds of the sponsoring organization or 2) by voluntary contributions from the members of the organization.

12. If the committee files campaign financing statements with the Federal Election Commission or with any other out-of-state agency, a statement to that effect, including the name of the public agency outside of Connecticut where such committee files campaign finance statements.
13. A statement indicating that the committee is established for ongoing political activities or for a single election, primary or referendum.
14. If the committee is associated with or established by or on behalf of a lobbyist, member of the General Assembly, or elected State Officer, a statement to that effect and the name of the lobbyist, member of the General Assembly or State Officer affiliated with the committee.

(Sections 9-333d(a), 9-333g(b), 9-333l(e) and (f), General Statutes)

When to File a Registration Statement?

The political committee's registration statement must be filed prior to the solicitation or acceptance of any receipts or the making of any expenditures or within ten (10) days after the committee organizes. When a committee organizes within ten (10) days preceding the day of an election, primary or vote on a ballot question, and the committee intends to solicit receipts or make expenditures, the chairperson of the committee must immediately file its registration statement with the appropriate filing repository.

(Sections 9-333d(a), 9-333g(a), General Statutes)

Where to File a Registration Statement?

The Office of the Secretary of the State is the proper filing repository with respect to the following committees:

- All political committees which intend to contribute to candidates for one or more of the following elective offices: Governor, Lieutenant Governor, State Senator, State Representative, Secretary of the State, Treasurer, Comptroller, Attorney General and Judge of Probate.
- Political committees formed to promote the success or defeat of one or more ballot questions to be voted upon by the electors throughout the state (proposed constitutional amendment(s)), or which are formed for the combined purpose of promoting candidates for the foregoing offices and the success or defeat of a local ballot question.

The Town Clerk is the proper filing repository with respect to the following committees:

- Each political committee formed *solely* to promote the success or defeat of candidates for town, city or borough office.
- Each political committee formed *solely* to promote the success or defeat of one or more ballot questions to be voted upon by the electors of a single municipality.
Note: If any such local question appears on the ballot of several municipalities but not state-wide, then the committee must file with the clerk of each municipality that will be voting on the question.

- Each political committee formed only to promote candidates for municipal office and ballot questions which will be voted upon within the same municipality must file with the clerk of that municipality.

(Section 9-333e, General Statutes)

When and How to Amend a Registration Statement?

Any additions or revisions to a registration statement (i.e. a change in treasurer) must be made in writing to the same filing repository where the initial registration statement was filed within ten days of any such addition or revision.

(Section 9-333g(c), General Statutes)

Appointment of the Committee's Treasurer and Deputy Treasurer

The committee chairperson is required to appoint one individual, who is a Connecticut elector, as committee treasurer and may appoint another such individual as deputy treasurer. These appointments must appear on the committee's most current registration statement. The committee treasurer and deputy treasurer must co-sign the registration statement filed by the chairperson signifying their acceptance of the chairperson's appointment of them to these positions. Once appointed, the treasurer and deputy treasurer serve indefinitely, until such individual resigns, is replaced by the chairperson, or becomes incapacitated. A written statement of resignation may be filed with the filing repository in order to relieve the treasurer from the statutory obligations under the Campaign Finance Laws.

Upon the treasurer's resignation or permanent incapacity, the deputy treasurer, if any, automatically succeeds as treasurer. If no deputy treasurer has been appointed, the chairperson has ten days in which to designate a successor treasurer to fill the vacancy by filing an amended registration statement with the filing repository. The failure to designate a successor treasurer within this 10-day period is a violation of Section 9-333d(c), General Statutes, for which a fine penalty of up to \$2,000 can be imposed against the committee chairperson.

(Sections 9-333d(c), 9-333g(a), General Statutes)

A committee may not transact business of any kind during the period in which the committee is without a treasurer or deputy treasurer. A committee chairperson is legally liable for any such violation.

(Sections 9-333d and 9-333g, General Statutes)

An individual may serve as treasurer of multiple committees. However, commissioners and deputy commissioners of state agencies are prohibited from serving as committee treasurers for reason that they are prohibited from soliciting funds for the benefit of any candidate, political committee or political party.

(Section 9-333x(11), General Statutes)

Designation of a Depository for Committee Funds

The name and address of a single depository institution located in Connecticut must be designated on the committee's registration statement. All committee funds must be deposited into a single checking account established within the designated depository institution and all expenditures may be made only by the treasurer from this one account.

(Sections 9-333d(a), 9-333f(b), General Statutes)

III. RESPONSIBILITIES OF THE TREASURER

Must Deposit All Acceptable Monetary Receipts

The committee's treasurer is responsible for depositing all funds received by the committee within fourteen (14) days of receipt and must do so in the committee's single checking account established with the committee's designated depository institution.

(Section 9-333h(a), General Statutes, as amended by P.A. 04-112)

The treasurer must ensure that any funds or resources received by the committee are lawful and within the aggregate limits permitted under the Campaign Financing Laws. Receipts which are either prohibited or otherwise in excess of the permissible limits set forth by law should not be deposited and must be returned to the donor by the treasurer within fourteen days of receipt or by the filing deadline for transactions falling within the reporting period, whichever is earlier.

If a monetary receipt is deposited by the treasurer into the committee's account before it has been determined to be unlawful, the treasurer must report it on the financial disclosure statement and refund the same without delay by returning the amount to the donor on a check drawn on the committee's checking account. Any such refund must be reported as an expenditure using the Expenditure Code for the specific purpose of the expenditure. Please see "EXPENDITURE CODE DEFINITIONS AND USES" section starting at Page 55. The coded purpose for such an expenditure is "M" for "Miscellaneous" with a notation "refund of contribution" on the financial disclosure statement corresponding with the period that the refund is made. Wherever possible, such refunds should be made in the same reporting period as the funds were deposited. The same rules apply to non-monetary receipts that are from an improper source or excessive in amount or value.

A Political Committee May Not Accept Certain Monetary Receipts Depending on the Method of Payment

Monetary receipts from individuals may not be accepted by the committee unless the following methods of payments are used:

- a) An aggregate amount of \$100 or less may be accepted if made by cash, personal check, bank instrument or credit card; and
- b) An aggregate amount in excess of \$100 may be accepted if made by personal check or credit card.

(Sections 9-333x(9) and 9-333m(e), General Statutes; as amended by P.A. 02-130)

Monetary receipts from any other committee which is a proper source of funds must be made by check drawn on the committee's designated depository institution.

There is a \$15 dollar limit on acceptance of anonymous cash receipts to the committee. Any anonymous cash receipt of \$15 or less may be accepted and deposited by the committee treasurer in the same manner as any other monetary receipt.

Any anonymous cash receipt that exceeds \$15 must not be accepted but rather must be immediately forwarded by the committee's treasurer in full to the State Treasurer for deposit in the General Fund of the State of Connecticut. The treasurer is advised to check with the State Elections Enforcement Commission before remitting funds to the State Treasurer.

(Section 9-333h(b), General Statutes)

AMOUNT OF AGGREGATE CONTRIBUTION(S)	PERMISSIBLE METHOD OF PAYMENT	INFORMATION REQUIRED FROM INDIVIDUAL CONTRIBUTOR	FROM AN INDIVIDUAL UNDER 16
\$0 - \$30.00	Cash, Bank Instrument or Credit Card	Name and Address	Yes
\$30.01 - \$100.00	Cash, Bank Instrument or Credit Card	Name, Address and Lobbyist Status (if applicable)	No
\$100.01 - \$1,000.00	Personal Check or Credit Card	Name, Address, Lobbyist Status (if applicable), Principal Occupation and Employer	No

Table 1 - Contribution Requirements Applicable to Individuals

What Contributions May Be Lawfully Accepted by a Political Committee?

A Business Entity Political Committee may accept:

Monetary and non-monetary receipts may be accepted from the business entity which established the committee only if they are a) reasonable and necessary and b) directly attributable to (1) the administrative costs of operating the political committee or (2) the solicitation of funds or resources for the committee. The Commission has determined that an amount equal to one third or less of the proceeds raised by a particular committee's solicitation of funds is a reasonable amount to be contributed to the committee for that solicitation by the business entity that established the committee.

(Section 9-333o, General Statutes; Opinion of Counsel 99-3, 99-4 and 99-5)

Contributions from an individual sixteen years of age or older may be accepted to a maximum of \$1,000 per calendar year. Such individuals do not have to be in the management of the business that established the committee or connected in any way to that business. Contributions from individuals less than sixteen may be accepted to a maximum of \$30 per calendar year.

(Section 9-333n(a) and 9-333m(f), General Statutes)

The individual must be either a United States citizen or a foreign national with permanent resident status in the United States.

(Title 11 Code of Federal Regulations, §110.4a)

Contributions from a political committee established by another business entity may be accepted without limit. However, the donor political committee must also be a registered Connecticut political committee.

(Section 9-333o(e), General Statutes)

Contributions from any political committee established by two or more individuals registered in Connecticut may be accepted to a maximum of \$2,000 per calendar year. However, please see exceptions in the following section entitled “A Business Entity Political Committee may not accept.”

(Sections 9-333n and 9-333t, General Statutes)

Contributions from a political committee established by an organization may be accepted to a maximum of \$2,000 per calendar year. The donor political committee must also be a registered Connecticut political committee.

(Section 9-333q(d), General Statutes)

Contributions from a registered Connecticut party committee (State Central or town committee) may be accepted without limit.

(Section 9-333s(a), General Statutes)

Contributions from a national committee of a political party may be accepted without limit provided that any such contribution is from the national party committee’s federal account on file with the Federal Election Commission and that such federal account contains only funds subject to the disclosure and contribution limits prescribed in the Federal Election Campaign Act. (No transfers from “soft money” accounts.)

(Section 9-333t(b), General Statutes)

Contributions of surplus distributions from terminating candidate committees or slate committees may be accepted without limit after a primary day which results in the defeat of the candidate(s), or after the election. Also, contributions of surplus distributions from terminating exploratory committees in which the candidate withdraws may be accepted without limit after the election only. Lastly, contributions of surplus distributions from terminating candidate committees or slate committees established in connection with a primary for the position of town committee member may not be accepted at any time. *Note:* There are restrictions on terminating referendum committees as set forth in the following section.

(Sections 9-333, 9-333j(e) and 9-333r(a), General Statutes)

A Business Entity Political Committee may not accept:

Contributions or transfers from a business entity are prohibited, except with respect to the business entity which established the committee as provided in the preceding section entitled “A Business Entity Political Committee may accept.”

(Section 9-333o, General Statutes)

Contributions from any labor union or any other organization are prohibited.

(Section 9-333p(a), General Statutes)

Contributions may not be accepted from a candidate committee, exploratory committee or slate committee except with respect to surplus distributions as provided in the preceding section entitled “A Business Entity Political Committee may accept.”

(Sections 9-333r, 9-333j(e), General Statutes)

Contributions from a political committee formed solely for a ballot question are prohibited. However, a political committee formed for a ballot question which has a surplus after the vote on the question is held may distribute its surplus to a business entity political committee subject to the following:

- a) A portion or the entire surplus may be distributed, without limit, but only if the ballot question committee had not received contributions from *any* business entities or organizations; or
- b) If the ballot question committee had received contributions from any business entities or organizations, and the business entity political committee contributed to the ballot question committee, it may receive only a portion of the ballot question committee's surplus distribution based upon that relationship which the aggregate value of all receipts from the business entity political committee bears to the aggregate value of all receipts from all contributors to the ballot question committee.

(Section 9-333(e) and 9-333v(a), General Statutes)

Contributions may not be accepted from a committee of a candidate for a federal or out-of-state office.

(Section 9-333t(b), General Statutes)

Contributions from any candidate, political or party committee not registered under Connecticut law are prohibited, except for a national committee of a political party as set forth in the preceding section entitled "A Business Entity Political Committee may accept."

(Sections 9-333d, 9-333t(b), General Statutes)

An Organization Political Committee may accept:

Monetary and non-monetary receipts may only be accepted from the organization which established the committee provided that a) the committee has elected to be financed exclusively from the organization's treasury funds and b) the chairperson of the committee has properly designated such method of funding on its registration statement.

(Section 9-333p(a), General Statutes)

Contributions from an individual sixteen years of age or older who is a member of the organization may be accepted to a maximum of \$500 per calendar year provided that the committee has not elected to be financed exclusively from its treasury funds. Contributions from members less than sixteen may be accepted to a maximum of \$30 per calendar year.

(Section 9-333n(b) and 9-333m(f), General Statutes)

The individual must be either a United States citizen or a foreign national with permanent resident status in the United States.

(Title 11 Code of Federal Regulations, §110.4a)

Contributions from a political committee established by another organization may be accepted to a maximum of \$2,000 per calendar year. The donor political committee must also be a registered Connecticut political committee.

(Sections 9-333q(d) and 9-333t, General Statutes)

Contributions from a political committee established by a business entity may be accepted to a maximum of \$2,000 per calendar year. The donor political committee must also be a registered Connecticut political committee.

(Sections 9-333q(d), 9-333t, General Statutes)

Contributions from any political committee established by two or more individuals registered in Connecticut may be accepted to a maximum of \$2,000 per calendar year.

However, please see exceptions in the following section entitled “An Organization Political Committee may not accept.”

(Sections 9-333q(d) and 9-333t, General Statutes)

Contributions from a registered Connecticut party committee (State Central or town committee) may be accepted without limit.

(Section 9-333s(a), General Statutes)

Contributions from a national committee of a political party may be accepted without limit provided that any such contribution is from the national party committee’s federal account on file with the Federal Election Commission and that such federal account contains only funds subject to the disclosure and contribution limitations prescribed in the Federal Election Campaign Act. (No transfers from “soft money” accounts.)

(Section 9-333t(b), General Statutes)

Contributions of surplus distributions from terminating candidate committees or slate committees may be accepted without limit after a primary day which results in the defeat of the candidate(s), or after the election. Also, contributions of surplus distributions from terminating exploratory committees in which the candidate withdraws may be accepted without limit after the election only. Lastly, contributions of surplus distributions from terminating candidate committees or slate committees established in connection with a primary for the position of town committee member may not be accepted at any time. *Note:* There are restrictions on terminating referendum committees as set forth in the following section

(Sections 9-333, 9-333j(e), 9-333p(a) and 9-333r(a), General Statutes)

An Organization Political Committee may not accept:

Contributions from any individual may not be accepted if the organization political committee has elected to be exclusively funded from its organization’s treasury funds.

(Sections 9-333p(a), and 9-333n(b), General Statutes)

Contributions from any labor union or any other organization are prohibited with the exception if the political committee has elected to be exclusively funded from its own organization’s treasury funds.

(Section 9-333p(a), General Statutes)

Contributions from a business entity are prohibited.

(Section 9-333o, General Statutes)

Contributions may not be accepted from a candidate committee, exploratory committee or slate committee except with respect to surplus distributions as provided in the preceding section entitled “An Organization Political Committee may accept.”

(Sections 9-333j(e) and 9-333r(a) General Statutes)

Contributions from a political committee formed solely for a ballot question are prohibited. However, a political committee formed for a ballot question which has a surplus after the vote on the question is held may distribute its surplus to the organization political committee subject to the following:

- a) A portion or the entire surplus may be distributed, without limit, but only if the ballot question committee had not received contributions from *any* business entities or organizations; or

- b) If the ballot question committee had received contributions from any business entities or organizations, and the organization political committee contributed to the ballot question committee, it may receive only a portion of the ballot question committee's surplus distribution based upon that relationship which the aggregate value of all receipts from the organization political committee bears to the aggregate value of all receipts from all contributors to the ballot question committee.

(Sections 9-333j(e) and 9-333v(a), General Statutes)

Contributions may not be accepted from a committee of a candidate for a federal or out-of-state office.

(Section 9-333t(b), General Statutes)

Contributions from any candidate, political or party committee not registered under Connecticut law are prohibited, except for a national committee of a political party as set forth in the preceding section.

(Sections 9-333d, 9-333t(b), General Statutes)

A Political Committee Established by two or more Individuals may accept:

Contributions from an individual sixteen years of age or older may be accepted to a maximum of \$1,000 per calendar year. Contributions from individuals less than sixteen may be accepted to a maximum of \$30 per calendar year.

(Section 9-333n(a) and 9-333m(f), General Statutes)

The individual must be either a United States citizen or a foreign national with permanent resident status in the United States.

(Title 11 Code of Federal Regulations, §110.4a)

Contributions from any political committee established by two or more individuals registered in Connecticut may be accepted to a maximum of \$2,000 per calendar year. However, please see exceptions in the following section entitled "A Political Committee Established by Two or More Individuals may not accept."

(Section 9-333t, General Statutes)

Contributions from a political committee established by an organization may be accepted to a maximum of \$2,000 per calendar year. The donor political committee must also be a registered Connecticut political committee.

(Section 9-333t, General Statutes)

Contributions from a political committee established by a business entity may be accepted to a maximum of \$2,000 per calendar year. The donor political committee must also be a registered Connecticut political committee.

(Section 9-333t, General Statutes)

Contributions from a registered Connecticut party committee (State Central or town committee) may be accepted without limit.

(Section 9-333s(a), General Statutes)

Contributions from a national committee of a political party may be accepted without limit provided that any such contribution is from the national party committee's federal account on file with the Federal Election Commission and that such federal account contains

only funds subject to the disclosure and contribution limitations prescribed in the Federal Election Campaign Act. (No transfers from “soft money” accounts.)

(Section 9-333f(b), General Statutes)

Contributions of surplus distributions from terminating candidate committees or slate committees may be accepted without limit after a primary day which results in the defeat of the candidate(s), or after the election. Also, contributions of surplus distributions from terminating exploratory committees in which the candidate withdraws may be accepted without limit after the election only. Lastly, contributions of surplus distributions from terminating candidate committees or slate committees established in connection with a primary for the position of town committee member may not be accepted at any time. *Note:* There are restrictions on terminating referendum committees as set forth in the following section

(Sections 9-333, 9-333j(e), 9-333p(a) and 9-333r(a), General Statutes)

A Political Committee Established by Two or More Individuals may not accept:

Contributions from a business entity are prohibited.

(Section 9-333o, General Statutes)

Contributions from any labor union or any other organization are prohibited.

(Section 9-333p(a), General Statutes)

Contributions may not be accepted from a candidate committee, exploratory committee or slate committee except with respect to surplus distributions as provided in the preceding section entitled “A Political Committee Established by two or more Individuals may accept.”

(Sections 9-333j(e) and 9-333r(a) General Statutes)

Contributions from a political committee formed solely for a ballot question are prohibited. However, a political committee formed for a ballot question which has a surplus after the vote on the question is held may distribute its surplus to the political committee subject to the following:

- a) A portion or the entire surplus may be distributed, without limit, but only if the ballot question committee had not received contributions from *any* business entities or organizations; or
- b) If the ballot question committee had received contributions from any business entities or organizations, and the political committee contributed to the ballot question committee, it may receive only a portion of the ballot question committee's surplus distribution based upon that relationship which the aggregate value of all receipts from the political committee bears to the aggregate value of all receipts from all contributors to the ballot question committee.

(Sections 9-333j(e) and 9-333v(a), General Statutes)

Contributions may not be accepted from a committee of a candidate for federal or an out-of-state office.

(Section 9-333f(b), General Statutes)

Contributions from any candidate, political or party committee not registered under Connecticut law are prohibited, except for a national committee of a political party as set forth in the preceding section.

(Sections 9-333d, 9-333f(b), General Statutes)

What Contributions May Be Made By a Political Committee to Candidates or Other Committees?

Contributions Made by a Business Entity Political Committee:

All gifts or expenditures made by a business entity political committee, whether monetary or non-monetary, to a candidate, candidate committee or other committee, must be aggregated together with all prior gifts or expenditures in order for the donor committee to ensure that it has not exceeded the limits applicable to that recipient.

The following are the aggregate contribution limits for a business entity political committee giving to, or for the benefit of, the following recipients:

<i>Office Sought or Committee Type</i>	<i>Limit</i>
Governor	\$5,000
Lieutenant Governor Secretary of the State Attorney General Comptroller Treasurer	\$3,000
State Senator Chief Executive Officer of a Municipality Judge of Probate	\$1,000
State Representative	\$500
Other Municipal Candidate Exploratory Committee (undetermined office)	\$250
State Committee for Municipal Candidates	\$2,000
Business Entity Political Committee	Unlimited
Organization Political Committee Two or More Individual Political Committee	\$2,000
Town Committee State Central Committee	Unlimited
Referendum Committee	\$2,000

Table 2 - Contribution Limits made by a Political Committee Established by a Business Entity

The above limits to candidates and their committees apply separately to primaries and elections. The above limits to ongoing committees apply to the calendar year.

Example A (Candidate Committees). If the donor committee's contribution limit to the candidate is \$250 and it contributes \$250 by primary day, then an additional \$250 may be given by the same committee for the election after primary day. Another donor committee that gave \$100 of its applicable \$250 limit by primary day would be allowed to give only another \$250 for the election. The application of these rules are dependent on two critical factors (a) the candidate must be challenged in a primary, and (b) timing of receipt of the donor committee's gift in relationship to primary day. A receipt after primary day qualifies only for the election limit. Additionally, the

candidate must remain on the election ballot to qualify for additional contributions relating to the election.

Example B (Ongoing Committees). If the donor committee contributed \$1,500 to an ongoing committee formed by two or more individuals on December 20th, it may only contribute an additional \$500 to the end of the calendar year because there is an annual \$2,000 contribution limit to this type of committee. However, on January 1st the donor committee may contribute \$2,000 to the same committee irrespective of its prior contribution, because ongoing political committees have annual aggregate contribution receipt limits.

A deficit at the end the campaign does not qualify a candidate to receive additional contributions from a political committee that has reached its aggregate contribution limits.

(Sections 9-333o(d), (e), General Statutes)

- There is no additional contribution limit applicable to a candidate who has a deficit after an election. All such contributions are counted towards the limitation applicable to the election.
- Contributions to an exploratory committee of a candidate, up to the maximum of \$250 for the life of the exploratory committee, are not counted against the particular donor committee's contribution limit with respect to the same candidate's candidate committee.
(Section 9-333o(d), General Statutes)
- Contributions to a slate of candidates for municipal elective office is limited to a maximum of \$2,000.
(Section 9-333o(e), General Statutes)
- An aggregate limit of \$100,000 on contributions made by the business entity political committee applies to all candidates in the same election.
(Section 9-333o(d), General Statutes)
- Contributions to a political committee established by a different business entity are unlimited.
(Section 9-333o(e), General Statutes)
- Contributions to a political committee established by two or more individuals, including a political committee formed for a slate of candidates in a primary for delegates to a party convention, is limited to a maximum of \$2,000 per calendar year.
(Sections 9-333o(e), 9-333t(a), General Statutes)
- Contributions to a political committee established by an organization is limited to a maximum of \$2,000 per calendar year.
(Sections 9-333o(e), 9-333t(a), General Statutes)
- Contributions to a state or local party committee (state central and town committees) are unlimited.
(Section 9-333o(e), General Statutes)
- Contributions to a candidate committee or a slate committee established solely for a primary for town committee are unlimited.
(Section 9-333, General Statutes)

- Contributions to any political committee formed solely to promote the success or defeat of a ballot question are limited to a maximum of \$2,000 for the campaign.
(Section 9-333o(e), General Statutes)
- Contributions to a national committee of a political party or to a committee of a candidate for federal or out-of-state office are permitted under Connecticut law. However the committee treasurer must refer to federal law or the laws of the applicable state jurisdiction to determine what contribution limitations, if any, exist.
(Section 9-333t(a), General Statutes)

Contributions Made by a Political Committee Established by an Organization:

All gifts or expenditures made by an organization political committee, whether monetary or non-monetary, to a candidate, candidate committee or other committee, must be aggregated together with all prior gifts or expenditures in order for the donor committee to ensure that it has not exceeded the gift limits applicable to that recipient.

The following are the aggregate limits on contributions made by an organization political committee to, or for the benefit of, the following recipients:

Office Sought or Committee Type	Limits
Governor	\$2,500
Lieutenant Governor Secretary of the State Attorney General Comptroller Treasurer	\$1,500
Chief Executive Officer of a Municipality	\$1,000
State Senator Judge of Probate	\$500
State Representative Other Municipal Candidate Exploratory Committee (undetermined office)	\$250
State Committee of Municipal Candidates	\$2,000
Business Entity Political Committee Organization Political Committee Two or More Individual Political Committee	\$2,000
Town Committee	\$1,000
State Central Committee	\$5,000
Referendum Committee	Unlimited

Table 3 - Contribution Limits made by Political Committee Established by an Organization

The above limits to candidates and their committees apply separately to primaries and elections. The above limits to ongoing committees apply to the calendar year.

Example A (Candidate Committees). If the donor committee's contribution limit to the candidate is \$250 and it contributes \$250 by primary day, then an additional \$250 may be given by the same committee for the election after primary day. Another donor committee that gave \$100 of its applicable \$250 limit by primary day would be allowed to give only another \$250 for the election. The application of these rules are dependent on two critical factors (a) the candidate must be challenged in a primary, and (b) timing of receipt of the donor committee's gift in relationship to primary day. A receipt after primary day qualifies only for the election limit. Additionally, the

candidate must remain on the election ballot to qualify for additional contributions relating to the election.

Example B (Ongoing Committees). If the donor committee contributed \$1,500 to an ongoing committee formed by two or more individuals on December 20th, it may only contribute an additional \$500 to the end of the calendar year because there is an annual \$2,000 contribution limit to this type of committee. However, on January 1st the donor committee may contribute \$2,000 to the same committee irrespective of its prior contribution, because ongoing political committees have annual aggregate contribution receipt limits.

A deficit at the end the campaign does not qualify a candidate to receive additional contributions from a political committee that has reached its aggregate contribution limits.

(Section 9-333q(a), (b) General Statutes)

- There is no additional contribution limit applicable to a candidate who has a deficit after an election. All such contributions are counted towards the limitation applicable to the election.
- Contributions to an exploratory committee of a candidate, up to the maximum of \$250 for the life of the exploratory committee, are not counted against the particular donor committee's contribution limit with respect to the same candidate's candidate committee.
(Section 9-333q(b), General Statutes)
- Contributions to a slate of candidates for municipal elective office is limited to a maximum of \$2,000.
(Section 9-333q(e), General Statutes)
- An aggregate limit of \$50,000 made by the organization political committee applies to all candidates in the same election.
(Section 9-333q(e), General Statutes)
- Contributions to a political committee established by a different organization are limited to a maximum of \$2,000 per calendar year.
(Sections 9-333q(d), 9-333t(a), General Statutes)
- Contributions to a political committee established by two or more individuals, including a political committee formed for a slate of candidates in a primary for delegates to a party convention, is limited to a maximum of \$2,000 per calendar year.
(Sections 9-333q(d), 9-333t(a), General Statutes)
- Contributions to a political committee established by a business entity is limited to a maximum of \$2,000 per calendar year.
(Sections 9-333q(d), 9-333t(a), General Statutes)
- Contributions to a state party committee is limited to a maximum of \$5,000 in the aggregate per calendar year; contributions to a town committee is limited to a maximum of \$1,000 in the aggregate per calendar year. There is also an aggregate limit of \$15,000 for the calendar year with respect to all such contributions to party committees and political committees.

(Section 9-333q(b), General Statutes)

- Contributions to a candidate committee or a slate committee established solely for a primary for town committee are unlimited.
(Section 9-333, General Statutes)
- Contributions to a political committee established solely to promote the success or defeat of a ballot question is unlimited.
(Section 9-333q(b), General Statutes)
- Contributions to a national committee of a political party or to a committee of a candidate for federal or out-of-state office are permitted under Connecticut law. However the committee treasurer must refer to federal laws or the laws of the applicable state jurisdiction to determine what limitations, if any, exist.
Section 9-333t(a), General Statutes)

Contributions Made by a Political Committee Established by Two or More Individuals:

All gifts or expenditures made by a political committee established by two or more individuals, whether monetary or non-monetary, to a candidate, candidate committee or other committee, must be aggregated together with all prior gifts or expenditures in order for the donor committee to ensure that it has not exceeded the limits applicable to that recipient.

The following are the aggregate limits on contributions made by a political committee established by two or more individuals to, or for the benefit of, the following recipients:

<i>Office Sought or Committee Type</i>	<i>Limits</i>
Candidate for Any State or Municipal Office	Unlimited
Exploratory Committee (undetermined office)	\$250
Slate Committee of Municipal Candidates	\$2,000
Business Entity Political Committee Organization Political Committee Two or More Individual Political Committee	2,000
Town Committee State Central Committee	Unlimited
Referendum Committee	\$2,000

*Table 4 - Limits for Contributions made by a Political Committee
Established by Two or More Individuals*

The above limits to ongoing political committees apply to the calendar year.

Example (Ongoing Political Committees). If the donor committee contributed \$1,500 to an ongoing committee formed by two or more individuals on December 20th, it may only contribute an additional \$500 to the end of the calendar year because there is an annual \$2,000 contribution limit to this type of committee. However, on January 1st the donor committee may contribute \$2,000 to the same committee irrespective of its prior contribution, because ongoing political committees have annual aggregate contribution receipt limits.

(Section 9-333t(a) General Statutes)

- Contributions to a candidate or a candidate committee is unlimited.
(Section 9-333t(a), General Statutes)

- Contributions to an exploratory committee of a candidate, is limited to a maximum of \$250 for the life of the exploratory committee.
(Section 9-333t(a), General Statutes)
- Contributions to a slate of candidates for municipal elective office is limited to a maximum of \$2,000.
(Section 9-333t(a), General Statutes)
- No aggregate limit on contributions made by the committee of two or more individuals to all candidates in the same election exists.
- Contributions to a political committee established by different committee established by two or more individuals is limited to a maximum of \$2,000 per calendar year.
(Section 9-333t(a), General Statutes)
- Contributions to a political committee established by a business entity is limited to a maximum of \$2,000 per calendar year.
(Section 9-333t(a), General Statutes)
- Contributions to a political committee established by an organization is limited to a maximum of \$2,000 per calendar year.
(Section 9-333t(a), General Statutes)
- Contributions to a state or local party committee (state central and town committees) are unlimited.
(Section 9-333t(a), General Statutes)
- Contributions to a candidate committee or a slate committee established solely for a primary for town committee are unlimited.
(Section 9-333, General Statutes)
- Contributions to a political committee established solely to promote the success or defeat of a ballot question are limited to a maximum of \$2,000 for the campaign.
(Section 9-333t(a), General Statutes)
- Contributions to a national committee of a political party or to a committee of a candidate for federal or out-of-state office are permitted under Connecticut law. However the committee treasurer must refer to federal law or the laws of the applicable state jurisdiction to determine what contribution limitations, if any, exist.
(Section 9-333t(a), General Statutes)

The Treasurer Alone May Make and Authorize Expenditures

The treasurer is the only individual who may authorize and make contributions or expenditures on behalf of the committee. All committee expenditures must be made by check, debit card drawn on the committee's checking account, or the committee's credit card. Committee checks must contain the committee's name and address. This information must be typed, printed or stamped on each check. The name of the treasurer must also be included, but may be handwritten. The committee treasurer may allow a committee worker to be an authorized cardholder of a credit card issued to the committee, provided that the individual's expenditures are for goods or services that are authorized by the treasurer for a lawful purpose of the committee. Additionally, a committee worker may be reimbursed by the committee if the following conditions are satisfied: (1) the worker has paid for any

permissible expenditure on behalf of the committee from his or her own personal funds, (2) the treasurer authorized the expenditure, (3) the worker provides the treasurer with a written receipt from the vendor proving payment by the worker, (4) the expenditure is for the lawful purpose of the committee and (5) the expenditure is not a contribution to any other committee..

(Section 9-333i(d), (l), (j) General Statutes, as amended by P.A. 04-91)

What is A Permissible Expense?

All expenditures by the treasurer must be made to promote the “lawful purposes of his committee.” For a political committee, “the lawful purposes of his committee” means the promoting of the success or defeat of candidates for nomination and election to public office or position subject to the requirements of Chapter 150, or the success or defeat of ballot questions. Expenditures made to solicit contributions for the committee or to hold a bona fide committee fund-raising affair are lawful purposes.

(Section 9-333i(g)(1), General Statutes)

Permissible expenses include the rental of real and personal property, the purchase of computer equipment and supplies, purchasing professional services, office supplies, utility costs, printing, postage, photocopying, compensation of committee staff and advertising.

(See Section 9-33i(g)(2), General Statutes, for a complete list of permissible expenditures)

No goods, services, funds and contributions received by any committee may be made available for the personal use of any individual. Expenditures for “personal use” include expenditures to defray the normal living expenses of any individual. Expenditures for personal use are those that have no direct connection with, or effect upon, the political committee.

(Section 9-333i(g), General Statutes)

Other improper expenditures include expenditures by committee officers or workers which have no substantial relationship to the lawful activity of the committee.

Further, committee funds or resources may not be used to provide an honorarium to compensate, or make a gift to, an elected public official for a speaking engagement or other service rendered on behalf of the committee unless they are (1) contributions made directly to the official’s candidate committee, within the contribution limits allowed to the committee, or (2) reimbursement for the elected official’s actual travel expenses to make the speech or perform the service, or for food and beverage consumed by the elected official or members of the elected official’s immediate family at the speaking engagement.

(Section 9-333i(h), General Statutes)

The Treasurer May Establish a Petty Cash Fund

The treasurer of a committee is permitted to establish a petty cash fund by drawing a check on the committee’s single checking account in an amount that may not exceed \$100. The treasurer may replenish the petty cash fund from time to time, provided that the total balance of the fund may never exceed \$100, and provided further that the fund is not replenished more than twice in any seven (7) day period.

Expenditures made from a petty cash fund are limited to \$25 per transaction (i.e. purchase of supplies for the committee) and must be reported by the treasurer in the same manner as any other expenditures. Expenditures that are contributions may never be made

from the petty cash fund. The treasurer must maintain a written account of all petty cash expenditure disbursements and keep such records for four (4) years from the date of the statement in which they were disclosed.

(Section 9-333i(e), General Statutes; Regulations of Conn. State Agencies §9-333i-1)

Treasurer of a Business Entity Political Committee or Organization Political Committee May Establish a Voluntary Payroll Deduction Program for Contributions

A business entity political committee or organization political committee may solicit voluntary contributions from the sponsoring entity's employees or members through payroll authorization cards. The treasurer must retain the completed and signed payroll authorization cards.

(Commission Advisory Opinion No. 80-3)

Treasurer May Appoint Solicitors

All solicitors must be appointed by the treasurer. Solicitors may solicit and receive monetary and non-monetary donations on behalf of the committee, including but not limited to receipts related to fund-raising affairs sponsored by the committee as well as donations received while engaging in door-to-door solicitation of individuals.

The solicitor may never deposit committee funds; only the treasurer may deposit funds received by the political committee. The solicitor must, within seven days of receipt of any goods, funds or contributions, deliver the same to the treasurer for acceptance. The treasurer must deposit funds within fourteen days of his receipt from the solicitor. A solicitor also may not expend funds he or she receives, and must deliver them only to the treasurer, in the form (i.e. cash or check) he or she received them.

There are no limitations on the number of solicitors that the treasurer may appoint.

No later than one day prior to the treasurer's required filing date, each solicitor must submit to the treasurer a list of the names and addresses of all persons from whom or from which monetary or non-monetary receipts were collected by the solicitor on behalf of the committee.

(Section 9-333h(c), General Statutes)

The treasurer should keep an accurate list of the name and address of each individual who is appointed to serve as a solicitor. Although the names of solicitors need not be disclosed in the treasurer's financial disclosure statements, the law requires the treasurer to keep internal records, which may be subject to audit, including a record of each such appointment and the term of appointment.

A political committee established by an organization which is funded exclusively from the organization's treasury may not have solicitors.

Treasurer Must Retain a Record of All Committee Receipts and Expenditures and Must Keep Internal Records

The treasurer must retain bank statements, deposit tickets, bills, credit card and debit card slips and statements (See section entitled, "Credit Card Contributions from Individuals"

on Page 39.), invoices, travel itineraries and canceled checks relating to all committee receipts, both monetary and non-monetary, as well as all expenditures, including cash register receipts or other satisfactory documentation from committee workers who have been reimbursed for items they purchased directly. These internal records must be kept for four years from the date on which the receipts or expenditures are required to be reported. Internal records must be kept in support of each entry on the treasurer's statement of receipts and expenditures, solicitor appointments, copies of tickets printed, invitations and program books for fund-raising affair, compensation and loan agreements, etc. It is strongly recommended that copies of checks received be kept.

(Section 9-333i(f), (j), General Statutes, as amended by P.A. 04-91)

The treasurer is required to publicly disclose in the committee's financial disclosure statements the different categories of information regarding each individual who has contributed in excess of \$30 in the aggregate to the committee in a calendar year. See Table 1 - Contribution Requirements Applicable to Individuals on Page 15. Consequently, it is important to internally record the contributor information on a ledger, computer, or index card system to ensure that the reporting requirement is satisfied at the time the individual exceeds the \$30 threshold.

(Section 9-333j(c), General Statutes)

Treasurer to Provide Written Valuation of In-Kind Contributions made to Other Committees

A treasurer of a political committee that makes an in-kind contribution of goods to another committee shall send a written notice to the treasurer of the recipient committee before the close of the recipient committee's next financial disclosure statement covering the period in which the in-kind contribution was received. The treasurer of the donor committee is required to sign the valuation notice, which must include the full name of the donor committee, the date on which the in-kind contribution of goods was made, along with a complete description of the item and its value. While a written valuation notice is not similarly required for donated "services" (i.e. paid campaign staff which is loaned to the other committee), the recipient committee's treasurer is nevertheless required to make due inquiry of the donor committee as to the value of the in-kind services loaned and report the same in its next financial disclosure statement, covering the period of loaned services, as an in-kind contribution.

(Section 9-333h(a), General Statutes)

Treasurer Files Periodic Disclosure Statements of the Committee's Receipts and Expenditures

The treasurer must file a financial disclosure statement with the filing repository by the following deadline dates: the seventh day of January, April, July and October, on the 7th day prior to any election, and on the 7th day prior to any primary or ballot question in those instances where the committee has received or expended funds or other resources in connection with that primary or ballot question. If such seventh day is a Saturday, Sunday or legal holiday, the statement shall be filed on the next business day. This filing must be submitted at some time during the filing period, which begins at the conclusion of the reporting period and ends on the filing deadline date. A more specific calendar, with the

actual filing dates and reporting periods, is available from the State Elections Enforcement Commission and the Secretary of the State. Statements are timely if they are either postmarked by the United States Postal Service, or by a delivery service designated by the Secretary of the Treasury of the United States, before midnight on or before the required filing day or delivered by hand to the filing repository's office by the close of business hours on or before the filing deadline day.

(Section 9-333j(d), 1-2a, General Statutes, as amended by P.A. 03-223)

The financial disclosure statement, entitled "Statement of Receipts and Expenditures," Form ED-45, itemizes all of the committee's financial activity, identifying the name and address of the source of all monetary receipts of the committee, all non-monetary receipts constituting In-Kind Contributions to the committee and the value thereof, as well as all contributions, certain non-monetary receipts in connection with a fundraising affair whether or not they constitute contributions, and expenditures made by the committee. The treasurer may electronically replicate this form and file a computer print-out or, if necessary, may use the pre-printed paper form provided by the Secretary of the State which may include, where necessary, typed schedules and attachments. When using computer spreadsheets or other computer forms it is important to duplicate the section headings and all the data elements that appear on the "Statement of Receipts and Expenditures," Form ED-45.

The treasurer may be able to use, for some statements, an unitemized short form disclosure statement, entitled "Exemption From Itemized Reporting," Form ED-46, which certifies that the committee has not had monetary or non-monetary receipts or made expenditures in excess of \$1,000 by the close of the applicable reporting period. The treasurer is required to use the itemized financial disclosure statement (ED-45) with respect to the statements due on the seventh day in January, covering transactions of the previous calendar year, and on the 7th day preceding any election regardless of the amount of the committee's financial activity.

Once an itemized financial disclosure statement is used covering transactions of the current year, the treasurer must then continue to use the itemized disclosure statement entitled "Statement of Receipts and Expenditures," form ED-45. The first itemized disclosure statement filed by the committee relating to the current calendar year shall contain all of the committee's transactions since January 1.

Each disclosure statement of a committee must include the financial activity of the committee beginning the first day not included on the last financial disclosure statement and ending as of seven (7) days immediately preceding the required filing date. Ongoing political committees must make an itemized disclosure of all transactions made in the previous year by the January mandatory filing. This requirement may be achieved by itemized disclosure statements filed by the committee covering all reporting periods in the previous year coupled with an itemized disclosure of transactions occurring in the last reporting period ending December 31 of the previous year; these statements cumulatively itemize all transactions in the calendar year. Each treasurer of a committee may, as a matter of discretion, extend the mandatory reporting period to include any of the days within the filing period, including the filing deadline date, provided that *all* of the financial transactions of the committee are disclosed within such extended reporting period.

(Section 9-333j(a)(1), General Statutes)

Electronic Filing

Any political committee is permitted file in electronic form any financial disclosure statements required by section 9-333j. The treasurer of any political committee seeking to exercise this option should contact the Office of the Secretary of the State to ascertain how electronic filing may be accomplished.

(Section 9-348ee, General Statutes)

Late Filing Fees

Failure to file by the day that the financial disclosure statement is due subjects the treasurer to a \$55 automatic late filing fee, which must be paid by the treasurer from personal, not committee, funds. Late filing fees are payable to the filing repository—the Secretary of the State or Town Clerk, as the case may be.

(Section 9-333y, General Statutes)

Additionally, the failure by the treasurer to file the disclosure statement within the applicable time period set forth in a failure to file notice received from the Secretary of the State or Town clerk, as the case may be, may subject the treasurer to additional penalties of up to \$2,000 administered by the State Elections Enforcement Commission, and possible criminal sanctions, including fines and/or imprisonment for up to one year, for each such failure to file.

Copies of Disclosure Statements

The treasurer must provide the committee chairperson with a duplicate copy of the disclosure statement at the time of filing.

(Section 9-333j(c), General Statutes)

IV. FUND-RAISING AFFAIRS

A “fund-raising affair” is a political gathering sponsored by the committee for which it charges an attendance fee, or is a tag sale or auction to sell items to the committee’s invited guests. In order to utilize a program book that sells advertising space, the fund-raising affair must be a *bona fide* event intended to make a profit exclusive of any non-contribution receipts and it must include a program for the fund-raising affair. The issues which most commonly arise concerning a fund-raising affair are whether the funds or resources given or received are treated as contributions, or as receipts which are not contributions, and how to disclose these types of receipts on the treasurer’s financial disclosure statement.

Whether Monetary and Non-Monetary Receipts at a Fund-raising Affair Constitute Contributions

As previously stated, certain monetary and non-monetary receipts are not considered contributions under the law. Each receipt constitutes a “contribution” unless it falls within one of the narrowly defined exemptions. Certain transactions associated with a fund-raising affair may result in receipts that are not considered contributions depending on the dollar value of the receipt. These receipts must be disclosed in Section K(4), entitled “In-Kind Donations Not Considered Contributions,” of the “Statement of Receipts and Expenditures,” Form ED-45. Once these limits are exceeded the entire receipt must be reported as a

“contribution” in Section B of the “Statement of Receipts and Expenditures,” Form ED-45. A monetary receipt for an item purchased at a fund-raising affair is not reduced by the value of the item (i.e., price paid for television purchased at a committee sponsored tag sale is not diminished by the fair market value of the television).

(Section 9-333b(b), General Statutes)

The following is a list of the most significant types of monetary and non-monetary receipts which are not considered contributions:

- The donation or purchase by an individual of an item of personal property to a committee for a fund-raising affair if the aggregate amount of the donation or purchase does not exceed \$50.

(Section 9-333b(b)(9), General Statutes)

Example A. Jane Doe donates three compact discs to a committee to be sold at a tag sale, and the value of each CD is \$10, or a total of \$30. This non-monetary receipt is not a contribution and must be reported in Section K(4).

Example B. Jane Doe purchases a used television for \$60 at a committee sponsored tag sale. She has made a \$60 contribution because the value of the purchase is over \$50. This monetary receipt constitutes a contribution from Jane Doe of \$60 which is counted against her contribution limit to the committee and must be separately itemized in Section B of the disclosure statement entitled “Contributions From Individuals Over \$30 in Aggregate.”

- The donation by a business entity of goods or services for a fund-raising affair if the aggregate value of the goods or services does not exceed \$100. Please note that a business entity may only donate goods or services that it sells or provides as part of its business. If the value of these goods or services exceeds \$100 it is an illegal contribution.

(Section 9-333b(b)(12), General Statutes.)

Example C. ABC Corporation, a printing company, donates free printing services to a committee for a fund-raising picnic worth \$90 in value. This non-monetary receipt is not a contribution and must be reported in Section K(4).

Example D. The same corporation donates \$110 worth of printing to the fund-raising affair. It has made a prohibited contribution because the value of the tickets exceeds \$100 and therefore this exemption does not apply. The In-Kind Contribution may not be accepted and must be returned immediately by the treasurer, or the committee may purchase the printing from ABC Corporation.

- The purchase by a business entity of advertising space in a program for a fund-raising affair held by a committee if the purchase price for the space does not exceed \$250. Unlike the other fund-raising affair exceptions, which apply separately to each event conducted by the committee, the \$250 advertising space purchase exception applies cumulatively to all purchases by the same business entity during the calendar year. These transactions are reported in Section K(3).

(Section 9-333b(b)(10), General Statutes.)

Example E. XYZ Corporation purchases advertising space in a program booklet for a fund-raising dinner sponsored by a committee and the purchase is \$200. This

monetary receipt from the corporation is not a contribution and may be accepted. As previously stated, the treasurer is required to report all monetary receipts whether or not the funds received constitute a contribution to the committee. The \$200 purchase is reported in the name of XYZ Corporation, together with other advertising receipts, in Section K, "Fundraising Events," of the committee's disclosure statement. XYZ Corporation may subsequently purchase no more than \$50 of advertising space in program booklets for other fund-raising affairs held by the same committee throughout the year. *For the exception to apply, the committee must actually hold a bona fide fund-raising affair as defined in the beginning of this section and produce a program booklet containing the advertising.*

- The purchase by "persons" other than business entities of advertising space in a program for a fund-raising affair held by the committee may not exceed \$50 to qualify for the exception. "Other persons" for this purpose may be individuals, committees, labor unions or other organizations, trade or professional associations. This \$50 advertising space exception also applies cumulatively for the calendar year.

(Section 9-333b(b)(5), General Statutes)

Reporting of Fund-raising Affairs

The treasurer is required to disclose all receipts of a fund-raising affair whether or not such receipt constitutes a contribution to the committee. All monetary receipts which are contributions may be recorded in Section A, "Total Contributions from Small Contributors," if the contributor has contributed \$30 or less in the aggregate since the beginning of the calendar year (January 1 or the date of the formation of the committee, if after January 1) of the committee or else shall be itemized in Section B, "Contributions from Individuals Over \$30 in the Aggregate," of the disclosure statement; and each non-monetary receipt which is a contribution must be itemized in Section M of the committee's disclosure statement (In-Kind Contributions). The purchase of fund-raising tickets are considered contributions, and therefore must be reported in Section A or B, dependent upon the amount purchased by the contributor.

The total of all funds received in connection with a fund-raising affair that do not constitute contributions must be disclosed in the aggregate in Section K, "Fundraising Events," of the committee's disclosure statement. Such itemization must include the name and address of each such purchaser and the amount.

The date, location and description of each fund-raising affair are required to be reported in Section K, "Fundraising Events."

Each expenditure made by the committee for the fund-raising affair must be separately itemized and disclosed by the treasurer in the same manner as any other committee expenditure in Section N, "Expenditures." The treasurer cannot merely disclose the net proceeds of the event.

(Section 9-333j(c)(1)(i), General Statutes, as amended by P.A. 03-223 and P.A. 03-241)

V. REPORTING INFORMATION

Who Reports?

The treasurer or, in the treasurer's absence or inability, the deputy treasurer is required to file all financial disclosure statements.

How and Where to Report?

The "Statement of Receipts and Expenditures," Form ED-45 or, if applicable, the "Exemption From Itemized Reporting," Form ED-46, must be filed with the filing repository.

When to Report?

See section entitled "RESPONSIBILITIES OF THE TREASURER," "Treasurer Files Periodic Disclosure Statements of the Committee's Receipts and Expenditures," on Page 29.

What Information Must Be Reported?

- All monetary receipts, whether or not such receipts constitute contributions; all non-monetary receipts that constitute contributions; certain non-monetary receipts in connection with a fundraising affair whether or not they constitute contributions; and all expenditures made by the committee must be reported on the financial disclosure statement.
- Monetary and non-monetary contributions of over \$30 in the aggregate during the calendar year received from an individual requires disclosure of the donor's name and address, amount received during the relevant reporting period, date of the contribution and the aggregate amount given during the calendar year in Section B, "Contributions from Individuals Over \$30 in the Aggregate," if monetary, or Section M, "In-Kind Contributions," if non-monetary, of the disclosure statement. In addition, all non-monetary contributions are itemized and require a description of the contribution in Section M of the disclosure statement.
- If a contribution in excess of \$30 in the aggregate during the calendar year is received from a lobbyist, or the spouse or dependent child of a lobbyist, the treasurer must also include lobbyist status in addition to the contributor's name and address on the disclosure statement.

Please note: It is the responsibility of the lobbyist or family member of the lobbyist to provide this information to the treasurer. There is an obligation on the treasurer to make due inquiry for this information.

(Section 9-333(c)(2), General Statutes)

- Any individual who contributes to the committee in the aggregate in excess of \$100, but not more than \$1,000, in addition to providing the treasurer with his name and address, must provide the treasurer with his occupation and the name of his principal employer. There is an obligation on the treasurer to make due inquiry for this information.

(Section 9-333(c) General Statutes)

- The sum of all monetary contributions from individuals (as distinguished from other sources, such as other committees) of \$30 or less in the aggregate during the calendar year

may be disclosed as an unitemized total, and entered in Section A of the form entitled "Total Contributions From Small Contributors--This Period Only" or else itemized in Section B entitled "Contributions from Individuals Over \$30 in the Aggregate." *Note:* As soon as monetary contributions from such individual exceeds \$30 in the aggregate for the calendar year, the itemized contribution information above must be disclosed and entered in Section B.

- Anonymous monetary receipts of \$15 or less during the reporting period are reported in Section D, "Anonymous Contributions," and must include the denomination of the bills and the total value of all coins received anonymously.
- The name and address of any bank or other lender which has made a loan to the committee, and the principal amount of the loan received in a reporting period must be disclosed in Section I, "Loans Received," along with the name and address of any person who is a guarantor or cosigner of the loan. Loans must be continuously reported as a debt, under item 14 of the Summary Page of the itemized financial disclosure statement, until paid.
- The date, location and description of each fund-raising affair is required to be reported in Section K, "Fundraising Events."
- Any receipt during the reporting period from another committee or entity must be reported as either a contribution or a reimbursement relating to expense sharing, in Section C, "Contributions and Reimbursements from Other Committees;" or as a monetary receipt that is not a contribution, in Section K "Fundraising Events" (i.e. purchase of advertising space); or as an In-Kind Contribution, in Section M "In-Kind Contributions."
- All other monetary receipts that are not contributions must be disclosed. Examples include interest posted or received from deposits in authorized investment accounts (reported in Section H entitled "Interest from Deposits in Authorized Accounts"); bank credits or refunds (reported in Section J entitled "Miscellaneous Monetary Receipts not Considered Contributions"); and certain other monetary receipts from fund-raisers (purchases of goods or ads in program books reported in Section K, "Fundraising Events").

(Section 9-333j, General Statutes)

- For a political committee established by a business entity, the amount of funds transferred from the business entity treasury to pay for reasonable and necessary administrative and solicitation expenses are monetary receipts of the committee which must be reported in Section E, "Amount Transferred From Corporate and Business Treasury."
- For a political committee established by an organization which has elected to be funded exclusively from the treasury of the organization, the amount of funds transferred from the treasury is a monetary receipt which must be reported in Section F, "Amount Transferred From Parent Organization."

In-Kind Contributions

An In-Kind Contribution is the donation of goods, services or anything of value given free of charge or at less than the usual charge to the recipient committee. An In-Kind

Contribution is valued at the usual and normal charge less any amount paid by the recipient committee.

A discount is the difference between the usual and normal charge for goods or services and the amount charged to the recipient committee. A discount is a type of In-Kind Contribution.

Contributions of goods and services must be disclosed in Section M, "In-Kind Contributions" of the committee's financial disclosure statement. *Note:* Uncompensated services provided by an individual who volunteers his or her time to a committee is not an In-Kind Contribution and need not be reported; however services provided by an individual which are compensated by another committee, individual, or any other entity, must be reported.

An expenditure made by another individual, other committee, or other entity of any kind that is coordinated with, authorized by, or provided at the request or suggestion of the committee or its agent is an In-Kind Contribution to the committee and must be reported as such in Section M, "In-Kind Contributions," of the committee's financial disclosure statement.

Each treasurer of a political committee which makes an In-Kind Contribution of goods to a candidate committee or to another committee is required to send written notice to the recipient committee's treasurer setting forth the donor treasurer's valuation of the In-Kind Contribution. This notice must be sent by the donor committee's treasurer before the close of the recipient committee's reporting period in which the In-Kind Contribution was made. The notice must be signed by the treasurer of the donor committee and include the full name of the donor committee, the date on which the contribution was made, and a complete description of the contribution as well as a statement of the value of the contribution. Any dispute concerning the information contained in such notice will be resolved by the treasurer of the recipient committee. The treasurer is required to preserve each such notice issued or received for four years from the date of the reporting period in which the In-Kind Contribution was made and received.

(Section 9-333h(a), General Statutes)

Expenditures

Each expenditure, regardless of the amount, must be separately itemized with the following information: the payee's full name and address, the candidate supported or opposed by the expenditure, whether the expenditure is made independently of the candidate or is an In-Kind Contribution, the amount, date and the Expenditure Code for the specific purpose of the expenditure by reference to the correct Expenditure Code. Please see "EXPENDITURE CODE DEFINITIONS AND USES," on Page 55. Expenditures are reported in Section N, "Expenditures," of the committee's financial disclosure statement. *Note:* A political committee may not claim reimbursement from a candidate committee for any expenditure such political committee has incurred for the benefit of such candidate committee.

(Section 9-333l(b), General Statutes)

Each loan repayment is reported separately. The name and address of each bank or other lender, the amount and date of the repayment or partial repayment (principal plus interest) on the loan during the applicable reporting period must be reported in Section N.

Each expenditure which constitutes a reimbursement to a committee worker must be treated as any other expenditure and must include an itemization of payments to secondary payees which exceed \$100.

If a consultant is paid by the committee to provide services, the disclosure of each payment to the consultant must also include an itemized schedule of the payments the consultant has made to other vendors on behalf of the committee (secondary payees) that exceed \$100. See explanation for "Secondary Payee or Beneficiary," "EXPENDITURE CODE DEFINITIONS AND USES," on Page 55.

Each expense incurred but not yet paid must also be separately itemized in the same manner as expenditures paid, including the disclosure of any secondary payees. Expenses incurred but not paid are reported in Section O, "Expenses Incurred During This Period But Not Paid." The obligation to report expenses incurred arises when the committee has received the goods or services.

(Section 9-333i(j), General Statutes, as amended by P.A. 04-91)

Other reporting information

- All monetary receipts, whether or not they constitute contributions, are reported in the period received.
- Loans received by the committee from a source other than a bank or other financial institution are considered contributions until the principal amount of the loan is repaid. Such loans may never exceed the permissible contribution limits applicable to the donor and may never come from a prohibited source.

(Section 9-333b(a)(1) and 9-333b(b)(1), General Statutes)

- Monetary receipts in the form of personal checks written on joint accounts are attributed to the individual who signs the check.

(Section 9-333h(b), General Statutes)

- A monetary receipt in the form of a money order which bears a legible signature of the donor is considered a bank instrument. If the money order does not bear a legible signature it is considered to be "cash" and should be reported as such.

(Section 9-333m(e), General Statutes; State Elections Enforcement Commission Advisory Opinion No. 75-5)

- All funds received and accepted by the committee's treasurer must be deposited into the committee's single checking account at its Connecticut depository institution. However, the treasurer may withdraw funds from this checking account for placement in investment accounts to earn higher interest. Monetary receipts received by the committee cannot be deposited directly into these other accounts but must be first deposited into the single checking account; nor can expenditures of any kind be made directly from such investment accounts except for the purpose of redepositing the funds into the single checking account established with the designated depository institution. All monies, including interest, must be returned to the checking account before the funds may be expended.

Further, the aggregate balance of all such accounts must be reported in the balance on hand on the committee's disclosure statements. However, transfers made between the committee's checking account and the committee's investment account(s), if applicable, are not reported as expenditures.

(State Elections Enforcement Commission Advisory Opinion No. 75-6)

VI. SPECIAL TOPICS

A Loan is Contribution

Loans are considered by law to be contributions, except loans made in the ordinary course of business by a bank. Loans which are contributions are subject to the overall limit on contributions to the committee. The amount of the contribution is equivalent to the principal amount of the outstanding loan. An unpaid loan, when added to other contributions from the same donor, may not exceed the contribution limit applicable to that donor. Repayments made on the loan reduce the amount of the contribution. Once repaid in full, a loan no longer counts against the donor's contribution limit.

All loans are reported in Section I, "Loans Received this Period," regardless of whether they are considered contributions. The committee treasurer and the individual or entity making the loan must execute a written agreement, and the treasurer must retain a copy of the agreement for the same period as other internal records. A loan must be continuously reported on the Summary Page of the itemized disclosure statement as a debt until repaid.

(9-333b(a)(1) and 9-333b(b)(1), General Statutes)

Computers Used or Acquired by Committees

Use of Personal Computer at Home

An individual may perform campaign work at home on a personal computer owned by such individual. The individual may be the committee's treasurer or a committee worker. Use of a personally owned computer in this manner is not a contribution and does not need to be reimbursed by the committee. The individual may use their computer for personal purposes as well as for committee work.

(Sections 9-333b(b)(4) and 9-333b(b)(5), General Statutes)

Committee May Purchase Computer

A committee may purchase a computer at fair market value. A computer purchased with committee funds must be used exclusively for the committee, and no personal, business or non-committee use of the computer is permitted by statute.

(Section 9-333l(g)(2), General Statutes)

Committee May Lease Computer

1. Leasing Computer at Fair Rental Value

The committee may lease or rent a computer from any source at fair rental value. A written memorandum of the terms of the rental agreement must be made, signed and dated, and kept as an internal record of the committee. The committee's payments under the lease must be reported as expenditures. Personal use of a computer leased or rented by the committee is not allowed.

(Section 9-333i(g)(2), (3), General Statutes)

2. Leasing Computer at Less than Fair Rental Value

Leasing a computer to the committee at less than the fair rental value is an In-Kind Contribution. Under these circumstances, the difference between the fair rental value of the computer and the amount actually charged to the committee must be disclosed in Section M, "In-Kind Contributions," on the committee's itemized disclosure statement. Contributors with aggregate limits may only make an In-Kind Contribution of a computer up to the applicable contribution limit; a discounted lease arrangement valued at more than this limit would constitute an excessive contribution. Sources which may not properly make contributions to the committee must lease the computer at fair rental value only.

Loaned Computer

Loaning a computer to the committee without charge is an In-Kind Contribution which is permissible only if it comes from a source that may make contributions, subject only to the aggregate contribution limits applicable to such donor. Personal use of a computer loaned to the committee is not allowed.

Credit Card Contributions from Individuals

Individuals may make contributions to a political committee by credit card (including their personal debit card) either in person, by mail, by telephone or over the Internet. Such contributions may be made in installments up to the maximum contribution limit. If an individual's contributions are made in person, by mail or over the telephone, they must be delivered to the treasurer or to an individual appointed by the treasurer to serve as a solicitor. A contribution made over the Internet, however, may only be made by utilizing the committee's official website secured for credit card transactions.

In order to accept a credit card contribution from an individual, a treasurer must obtain the following information from the individual contributor:

1. Contributor's Full Name;
2. Contributor's Name as It appears on the Credit Card;
3. Residence Address of Contributor;
4. Billing Address on Record with Card Issuer (if different than residence address);
5. Individual's E-Mail Address (applicable to credit card contributions over the Internet);

6. Amount of Contribution;
7. Statement of whether contributor is a Lobbyist, Lobbyist Spouse, or Lobbyist Dependent;
8. Principal occupation, if individual's aggregate contributions to the committee exceed \$100;
9. Name of employer, if individual's aggregate contributions to the committee exceed \$100;
10. Statement of whether contributor, or business with which contributor is associated, has a contract with the state valued at more than \$5,000, if the individual's aggregate contributions to the committee exceed \$1,000;
11. Donor must affirm the statement: "I am 16 years of age or older" (applicable to contributions exceeding \$30);
12. Credit Card number, including the three or four digit security code (found typically at back of card within signature field, CVV/CVV2) ;
13. Credit Card Expiration Date;
14. Donor must affirm the statement: "This contribution is made on my personal credit card for which I have a legal obligation to pay and intend to pay from my own personal funds; payment on this card is not made from the funds of a corporation, labor organization or any other entity"; and
15. Donor must affirm the statement: "I am either a United States citizen or a foreign national with permanent resident status in the United States."

The committee must select a merchant account provider (an entity in the business to authorize the processing of credit card transactions) that is able to comply with the requirements set forth in this section.

The committee's treasurer must periodically review each transaction by utilizing the information provided by the merchant account provider or payment gateway to ensure that each contribution is from an individual's personal charge card only. The committee is required to keep the details of each transaction provided by the merchant account provider or payment gateway and to ensure that the State Elections Enforcement Commission is able, upon request, to review all such records (whether held by the committee, merchant account provider or payment gateway on behalf of the committee), whether electronic or otherwise, including the rate charged for each transaction. Failure to provide all these records will create a presumption that any such contributions are invalid. (An individual utilizing a personal card is charged at a different rate that is distinguishable from rates charged to entities)

The information obtained by the treasurer from the individual contributor satisfies the treasurer's due diligence requirements, except if the rate structure charged and subsequently reported to the treasurer by the merchant account processor or payment gateway indicates

that the transaction was charged at a rate not normally charged to individuals domestically but rather at rates charged to entities (i.e. businesses, labor unions or individuals outside of the U.S.). In such instances, due diligence requires a timely refund of the contribution based upon the information received that the transaction was really charged contrary to Connecticut law.

Each committee must promptly send confirmation of each credit card contribution received through the Internet to the contributor by electronic mail to the individual's email address. For contributions received by telephone or mail, the confirmation shall be sent to the contributor by U.S. mail. For credit card transactions made in person, each committee must obtain a signed credit card receipt from the contributor.

Contributions made by credit card shall be deemed received by the committee on the date that the contributor completes the transaction, unless a no charge decision is made within fourteen days of the transaction or by the filing deadline for transactions falling within the reporting period, whichever is earlier. A no charge decision within such time relieves the committee treasurer of any responsibility for reporting the transaction. A committee receiving contributions by credit card must report the full (gross) amount of each contribution before the payment of any fees or deductions to any third party.

The committee's treasurer is responsible for preserving all records of each credit card contribution for the period of four years from the date that the credit card transaction(s) are reported.

(Section 9-333m(d), (e), 9-333i(f), 9-333j and 9-333h, General Statutes as amended by P.A. 04-112)

Possible Internal Revenue Service Requirements

In order to open a committee checking account the treasurer will need to apply to the U.S. Internal Revenue Service for an Employer Identification Number ("EIN") on IRS Form SS-4 entitled "*Application for Employer Identification Number.*"

A Political Committee may be required to file a Form 1120-POL entitled "U.S. Income Tax Return for Certain Political Organizations" if it has taxable income in excess of the \$100 specific deduction in a taxable year (usually calendar year). There is a penalty for failure to file Form 1120-POL if a filing was required. Taxable income does not include exempt function income such as contributions of money or property, but does include things like interest income.

A Political Committee, which has tax status as an organization exempt under 26 U.S. Code 527, may be required to File a Form 990, entitled "*Return of Organization Exempt from Income Tax and Short Form Return of Organization Exempt from Income Tax,*" if it has gross receipts, including contributions, exceeding \$100,000, provided that a federal candidate or federal office holder does not materially participate in its direction or solicit *any* contributions for it or direct *any* of its disbursements. In the event that a federal candidate or office holder is involved, the filing threshold amount is \$25,000.

A Political Committee that reasonably expects its annual gross receipts, including contributions, to be more than \$25,000 may be required to file a Form 8871, entitled "*Political Committee Notice of 527 Status.*"

Lastly, a political committee that has filed a Form 8871 and does not have a federal candidate or federal office holder materially participating in its direction or involved in the soliciting of any contributions for it or directing any of its disbursements is not required to file a Form 8872, entitled “*Political Organization Report of Organizations and Expenditures*.” A Political committee that has filed a Form 8871 and that has this involvement by a federal candidate or federal office holder may need to file the Form 8872.

Any questions about these IRS filing requirements should be directed to the IRS’s Tax Exempt and Government Entities Customer Account Services toll free number 1-877-829-5500. Additionally, information is available at the following IRS websites: www.irs.gov or <http://www.irs.gov/charities/political/article/0,,id=96355,00.html>.

VII. RESTRICTIONS ON CONTRIBUTIONS AND EXPENDITURES FROM CERTAIN SOURCES

Restrictions On Individuals Less than 16 Years of Age

An individual who is less than 16 years old may not make contributions to a committee in excess of \$30 in the aggregate during the calendar year.

(Section 9-333m(f), General Statutes)

Restrictions on Anonymous Cash Contributions

There is a \$15 dollar limit on acceptance of anonymous cash contributions to the committee. Any anonymous cash contribution of \$15 or less may be accepted and deposited by the committee treasurer in the same manner as any other monetary receipt.

Any anonymous cash receipt that exceeds \$15 must not be accepted but rather must be immediately forwarded by the committee’s treasurer in full to the State Treasurer for deposit in the General Fund of the State of Connecticut. The treasurer is advised to check with the State Elections Enforcement Commission before remitting funds to the State Treasurer.

(Section 9-333h(b), General Statutes)

Lobbyist Ban On Campaign Gifts to Candidates for State Offices and General Assembly

During certain legislative sessions, lobbyists or political committees established by or on behalf of a lobbyist may not solicit, offer or give money or anything of value, whether or not a contribution, to or for the benefit of any candidate or exploratory committee for any General Assembly or State Office, or to or for a political committee established for an assembly or senatorial district, or to or for a political committee created or controlled by a General Assembly member or State officer, or such member’s or officer’s agent. For purposes of the lobbyist campaign gift ban, it does not matter whether the monetary or non-monetary receipt from the lobbyist or political committee established by or on behalf of a lobbyist is a “contribution” or not; all such transactions are prohibited.

(Section 9-333l(e), General Statutes)

When is the Lobbyist Campaign Gift Ban Applicable?

The ban is applicable in even numbered years during the regular session of the General Assembly, and during each regular, special or veto session in the odd numbered years. The ban begins when each session convenes and ends when the session is adjourned. [Note: The ban does not apply to special sessions and veto sessions of the General Assembly in even numbered years and when the legislature is not in session.]

Are there Other Exceptions to the Ban?

Yes. The ban does not apply to candidates committees in a special election for the office of State Senate or State Representative or to a candidate who has established an exploratory committee for an office other than a General Assembly or State Office.

Are Lists Available of Lobbyists and Political Committees Established by Lobbyists?

Yes. Individuals, organizations or entities who are registered lobbyists are placed on a list available at the State Ethics Commission, 20 Trinity Street, in Hartford. Political committees established by or on behalf of a lobbyist are placed on a lobbyist list prepared by the State Elections Enforcement Commission based upon the committee's registration statement as well as certifications required to be filed by the treasurers of all committees. A definition of the term, "political committee established by or on behalf of a lobbyist" appears in the section entitled "DEFINITIONS OF PRINCIPAL TERMS," "What is a Political Committee Established by or on behalf of a Lobbyist?," on Page 8 of this Guide. The Commission also prepares a list of the political committees which are barred from receiving lobbyist contributions during the session based upon certifications filed by committee treasurers.

All political committees established by two or more individuals (that is, not formed or sponsored by a business entity or organization), other than committees of two or more individuals established solely to support or oppose municipal candidates or a ballot question, are placed on the "Prohibited Recipients List" prepared by the State Elections Enforcement Commission; unless the treasurer has filed a certification stating that the committee is not established: a) for an assembly or senatorial district; b) by a statewide officer or member of the General Assembly or an agent; or c) in consultation with, or at the request or suggestion of any such officer or member or his agent, or controlled by such officer, member or agent.

Certifications that a political committee has been established by or on behalf of a registered lobbyist (Form B-3) and certification of eligibility to receive lobbyist contributions during legislative sessions (Form B-2) must be filed by December 1 of the each even numbered year by the treasurer of the political committee. Certifications must be filed with the Office of the Secretary of the State.

(Section 9-333l(f), General Statutes)

Can I rely on the lists published by the State Elections Enforcement Commission?

Yes. Any political committee established by or on behalf of a lobbyist who in good faith makes a gift to or for the benefit of a political committee which does not appear on the

prohibited recipients list, and any treasurer of a political committee on the prohibited recipients list who in good faith accepts a gift from a political committee which does not appear on the list of political committees established by or on behalf of a lobbyist, has a defense to any action brought to challenge the making or acceptance of the gift. Key to this defense is that the committee acted in good faith reliance on the published lists and did not otherwise have knowledge of the special status of the donor or recipient committee.

Which Activities are Proscribed during the Legislative Sessions?

A lobbyist or a political committee established by or on behalf of a lobbyist is prohibited from doing any of the following for a candidate or exploratory committee of a candidate for State Office, or General Assembly office, or a political committee established by or on behalf of a statewide officer or member of the General Assembly:

- Making or soliciting a contribution or payment to the candidate or committee;
- Providing goods or services to or for a fund-raising affair;
- Purchasing items at a fund-raising affair; or
- Purchasing advertising space in a program book for a fund-raising affair.

(Section 9-333I(e), General Statutes)

Restrictions on Contributions to Candidates for State Treasurer by Political Committees of Investment Services Firms Doing Business with the State Treasurer and Political Committees of Principals of Such Investment Services Firms

Political Committees formed by a firm which provides investment services to the State Treasurer and political committees formed by principals of such firms, and to which the State Treasurer pays compensation, expenses, fees or issues a contract, are barred from soliciting or making any contribution to a candidate or exploratory committee for nomination or election to the office of State Treasurer during the term of the State Treasurer who does business with such firm. A “principal of an investment services firm” (the “restricted class”) means: a) any individual who is a director or has an ownership interest in an investment services firm, except for owners with less than 5% of the shares of an investment services firm that is publicly traded; b) any individual employed by an investment services firm as president, treasurer, or executive or senior vice president; c) any individual who is an employee of an investment services firm who has managerial or discretionary responsibilities with respect to investment services provided to the State Treasurer; and d) the spouses or dependent children of the foregoing individuals.

The ban applies to the incumbent State Treasurer and all challengers, and to an exploratory committee of any candidate who is considering a campaign for nomination or election as State Treasurer. “Investment Services” means investment legal services, investment banking services, investment advisory services, underwriting services, financial advisory services or brokerage firm services. Violation of this restriction may prohibit the State Treasurer whose candidate or exploratory committee benefited from such contributions or solicitations from paying compensation, expenses or fees to any firm with an existing contract with the State Treasurer or will prohibit the State Treasurer from issuing a future

contract to any such firm during the entire term of office of the State Treasurer, including, for an incumbent Treasurer seeking reelection, any remainder of the current term of office. Any questions concerning this business prohibition provision should be addressed to the State Ethics Commission.

(Sections 1-84(n), 9-333n(f), 9-333o(f), General Statutes, as amended by P.A. 02-130)

Business Entity, Labor Union and other Organization Contribution and Expenditure Ban

Generally, the treasury funds or resources of a business entity or organization cannot be used to make contributions or expenditures to or for the benefit of candidates, political parties or political committees. The following are exceptions to the restriction:

- A business entity may pay the costs of directly communicating with its owners, shareholders, executive and administrative personnel and their families on any subject, including expressly advocating the election or defeat of a specific candidate. However, the communication must be created by the business entity to qualify for the exception. The business entity may not use its funds to distribute material created by a candidate or his committee.

(Section 9-333b(b)(2), General Statutes)

- An organization may also pay the costs of communicating with its members and their families on any subject, including expressly advocating the election of a candidate. However, as in the case of a business entity, the communication must be created by the organization to qualify for the exception. The organization may not use its funds to republish campaign material created by the candidate or candidate's committee.

(Section 9-333b(b)(2), General Statutes)

- A business entity may make unlimited expenditures out of its treasury funds to promote the success or defeat of a ballot question. However, a business entity may make contributions of its funds and resources to a political committee which has been established solely to promote a ballot question, limited to an aggregate amount equivalent to 10 cents per resident in the state or municipality in which the ballot question will be voted upon. The population of the state or municipality, for purposes of the contribution limit, is determined by the last federal decennial census. Please see Commission publication entitled, "*A Guide to Financing a Referendum Question*" for more information.

(Sections 9-333o(c), 9-333v(c), General Statutes)

- An organization may make unlimited expenditures out of its treasury funds to promote the success or defeat of a ballot question. However, an organization may make contributions of its funds and resources to a political committee which has been established solely to promote a ballot question, limited to an aggregate amount equivalent to 10 cents per resident in the state or municipality in which the ballot question will be voted upon. The population of the state or municipality, for purposes of the contribution limit, is determined by the last federal decennial census. Please see Commission publication entitled, "*A Guide to Financing a Referendum Question*" for more information.

(Sections 9-333p(a), 9-333v(c), General Statutes)

- Transfers of treasury funds and resources may be made from a sponsoring business entity to that business entity's political committee for reasonable and necessary administrative

and solicitation expenses. See section entitled “What Contributions May Be Lawfully Accepted by a Political Committee?,” “A Business Entity Political Committee may accept;” on Page 15.

(Section 9-333o(b), General Statutes)

- A business entity may sell to a candidate or candidate’s committee, or to a party committee, food or beverage at a discount as long as the charge is not less than the cost to the business entity and the cumulative value of the discount given is not more than \$200 with respect to any single election, except the value of the discount may be as much as \$400 per calendar year with respect to a party committee. These are not In-Kind Contributions if the discounts remain within these limits.
- The business entity may purchase up to \$250 worth of advertising space in program books for fund-raising affairs sponsored by any candidate or candidate’s committee, with respect to any single election, or by any party committee or other political committee for the calendar year. Exceeding this limit would constitute a prohibited contribution in violation of Section 9-333o, General Statutes.

(Section 9-333b(b)(10), General Statutes)

- A labor union or organization may purchase up to \$50 worth of advertising space in program books for fund-raising affairs sponsored by any candidate or candidate’s committee with respect to any single election cycle, or by any party or other political committee for the calendar year. Exceeding this limit would constitute a prohibited contribution in violation of Section 9-333p, General Statutes.

(Sections 9-333b(b)(10) and 9-333p(a), General Statutes)

- A business entity may provide goods or services to a committee (candidate, political or party) for a fund-raising affair where the cumulative value of such goods or services is not more than \$100 per fund-raising affair. A business entity may only donate goods or services that it sells or provides as part of its business. A business entity may not purchase goods for a fundraiser or provide funds to a committee with which to buy goods. If the donation by a business entity exceeds \$100 per fund-raising affair the entire amount is a prohibited contribution which violates Section 9-333o, General Statutes. Valuation of these goods or services is the obligation of the recipient committee’s treasurer.

(Section 9-333b(b)(12), General Statutes)

Please note: Business entity or organization treasury funds may not be used to reward, give a bonus to or in any manner reimburse any individual for contributing funds or resources to a candidate or committee. Such reward would be an illegal contribution.

Special Requirements of a Political Committee Established by a Business Entity

Corporations, partnerships and most professional and trade associations may participate in political campaigns by only establishing a political committee into which contributions by individuals may be made.

The essential requirement is that solicitation of contributions from an individual must be voluntary. The Commission has incorporated the standard of “voluntariness” contained

in the Federal Election Campaign Act. Under the federal act, contributions may not be “solicited or secured by job discrimination or financial reprisal or as a condition of employment.”

(Advisory Opinion 80-3)

Labor Organization Contribution Ban

Generally, a labor organization, like a business entity, cannot contribute funds or resources to candidates, political parties and political committees. The labor organization must, like the business entity, also establish a political committee to make such contributions or expenditures. In contrast to the business entity, the labor organization may elect to fund its political committee exclusively from either the organization’s treasury or by voluntary individual contributions exclusively from its members.

(Section 9-333p(a), General Statutes)

Funding a Political Committee Established by an Organization

As previously stated, an organization may elect to fund its political committee exclusively from the organization’s treasury (i.e., union dues) or voluntary contributions only from its members. Only one method is permitted and the chairperson of the organization’s political committee must disclose the method selected on the committee’s registration statement.

(Section 9-333p(a)(c), General Statutes)

A political committee established by an organization which has been receiving funds exclusively from the organization’s treasury may revise its manner of funding by filing an amended registration statement with the filing repository. This change in the manner of funding requires the political committee to (1) return any remaining treasury funds in the political committee’s account after payment of all outstanding indebtedness and (2) to file a statement with the repository which itemizes all distributions and expenditures so made. It is recommended that these transactions be coordinated with the close of a reporting period.

(Section 9-333p(b), General Statutes)

A political committee established by an organization which has been funded by voluntary contributions of its members may similarly elect to switch its manner of funding exclusively to the organization’s treasury. Thereafter, the treasurer may not receive voluntary contributions from any member.

A political committee established by an organization does not have the option of choosing to fund the committee with treasury funds if the organizational treasury funds consist of the treasury funds of any business entity. This applies primarily to trade or professional associations whose memberships include corporations and/or partnerships.

VIII. IDENTIFICATION OF POLITICAL CAMPAIGN COMMUNICATIONS

Requirements

Any political committee which finances any written, typed or printed communication in support of or in opposition to a candidate or ballot question, including a solicitation of

funds, must include on its face the text “Paid for by” together with the name of the sponsoring committee and its treasurer. The attribution requirement applies to letters, brochures, circulars, websites, billboards, transit advertisements, newspaper advertisements and similar communications, and to campaign signs which are greater than 32 square feet in surface area.

(Section 9-333w(a), General Statutes)

Exempt Communications

Attributions for political communications are not required for “political paraphernalia” such as pins, badges, hats, rulers, calendars, and bumper stickers (give away items which have a utilitarian purpose beyond the campaign message) and any banner.

Also exempt are campaign signs which have a surface area of 32 square feet or less.

(Section 9-333w(c), General Statutes)

IX. POLITICAL OR PARTY COMMITTEES REGISTERED UNDER FEDERAL LAWS OR REGISTERED IN OTHER STATES

Any political committee or party committee registered with the Federal Election Commission under federal law or under the laws of another state, but not in Connecticut, and which desires to make contributions or expenditures to, or for the benefit of, any Connecticut candidate for office or such candidate’s authorized committee may do so only if such donor committee first registers in Connecticut and such committee’s funds are solicited specifically for use in Connecticut campaigns. Treasurers receiving such contributions from entities not registered as committees in Connecticut must return the contributions immediately to the donor. This requirement to register in Connecticut does not apply to the federal account of a national committee of a political party making contributions to ongoing political committees or party committees.

(Sections 9-333d, 9-333f(b), General Statutes)

X. GENERAL PROHIBITIONS AND PENALTIES

Vote Buying and Selling

No person may knowingly give, lend or promise to give or lend any money or other valuable consideration to any other person to influence the other person to vote, or refrain from voting for or against any candidate or ballot question. Any person who votes for or against any candidate or ballot question in consideration of any gift or other valuable consideration received shall be guilty of illegal practices.

(Section 9-333x(1), General Statutes)

Contributions In False Name

No person may make a payment or contribution to a treasurer in any name other than the name of the true donor or payor; nor may any treasurer knowingly receive the payment or contribution. A treasurer is prohibited from entering the name of someone other than the true donor or payor on the committee’s financial disclosure statement.

(Section 9-333x(7), General Statutes)

General Criminal and Civil Penalties

Any person who violates any provision of Connecticut's Campaign Finance Laws is subject to a civil penalty not to exceed \$2,000 or twice the amount of the improper contribution or payment, whichever is greater.

(Section 9-7b(2), General Statutes)

Any person who "knowingly and willfully" violates any provision of Connecticut's Campaign Finance Laws is subject to criminal penalties of up to \$5,000 in fines, or 5 years imprisonment, or both.

(Section 9-333y, General Statutes)

Unlawful Solicitation of Contributions or Making of Expenditures

No person may solicit or accept funds or other resources, or expend funds, for or on behalf of a political committee unless the committee has been registered with the Town Clerk or Secretary of the State, as the case may be.

Similarly, no person may solicit or accept funds or other resources, or expend funds, on behalf of a registered committee during the period in which there exists a vacancy in the position of treasurer and there is no deputy treasurer of the committee to act as treasurer.

No person may solicit or accept excessive contributions or payments that are otherwise prohibited by the provisions of Chapter 150.

(Section 9-333x(10), General Statutes)

No funds other than campaign funds raised in accordance with Connecticut's campaign finance law may, during the ninety days preceding the date of an election, be expended for any advertisement that refers to one or more clearly identified candidates and that is broadcast by radio or television other than by means of a public access channel, or that appears in a newspaper, magazine or on a billboard. There is an exception that allows for commercial advertisement, during this restricted period, that refers to an owner, director or officer of a business entity who is also a candidate, provided that such advertisement had been broadcast or appeared prior to the individual becoming a candidate.

(Section 9-333c(a)(2), General Statutes)

Prohibition of Use of Public Funds

No incumbent officeholder may expend public funds to mail or print flyers or other promotional materials intended to bring about his or her re-election or election to another office in the three months preceding the election.

(Section 9-333l(d)(1), General Statutes)

No public official or public employee may, during the five month period preceding an election, authorize the use of public funds for a television, radio, movie theater, billboard, bus poster, newspaper or magazine promotional campaign or advertisement which, *for any purpose*, features the name, face or voice of a candidate for elective office, or which *promotes* the nomination or election of a candidate for elective office.

(Section 9-333l(d)(2), General Statutes as amended by P.A. 03-241)

Prohibited Solicitations

Commissioners and deputy commissioners of state agencies are prohibited from soliciting funds for the benefit of any candidate, political or party committee. However, elective state officers or their deputies may solicit.

(Section 9-333x(11), General Statutes; Advisory Opinion No. 83-2)

Municipal employees are prohibited from soliciting funds for the benefit of any candidate, political or party committee from an individual under the supervision of such employee or their spouse or dependent children.

(Section 9-333x(12), General Statutes, as amended by P.A. 03-241)

The following individuals are prohibited from soliciting contributions from a principal of an investment services firm on behalf of any candidate committee, political committee or party committee: the State Treasurer or any candidate for State Treasurer, any agent of any such candidate, the Deputy State Treasurer, any member of the State Investment Advisory Council or any unclassified employee in the office of the State Treasurer acting at the direction of the State Treasurer or Deputy State Treasurer. This restriction does not apply to candidate and exploratory committees for an office other than State Treasurer established by the incumbent State Treasurer. This solicitation restriction also does not apply to these individuals soliciting contributions to their own candidate committees for an office other than State Treasurer or an exploratory committee in which the office of State Treasurer has been ruled out.

(Section 9-333n(f), General Statutes, as amended by P.A. 02-130)

Testimonial Affairs

No testimonial affair can be held for a candidate, or any elected official during the term of his office, unless its purpose is to raise funds for the individual's candidate committee. A testimonial affair is an event held in honor of a candidate or in honor of an individual who holds elective office during the term of office. There are two exceptions to this rule:

1. A retirement party may be held for an individual who has announced his intent to retire from public office, unless he has a deficit outstanding from any one of his prior campaigns, in which case the proceeds must be used to eliminate the deficit; or
2. A testimonial may be held by an entity duly organized for charitable purposes, provided that all proceeds go to the charity.

Anyone who organizes an improper testimonial or fundraiser is subject to civil and potentially criminal liability.

If a party or political committee conducts a testimonial affair to benefit a candidate or elected official, the net proceeds must be given to the individual's candidate committee. All contributions and monetary receipts must be given to the candidate committee by the treasurer of the party or political committee, after payment of expenses, and the identity of the donors must be disclosed to the candidate committee in relationship to the receipts attributable to each such donor, subject to the aggregate limits separately applicable to both the sponsoring committee and the candidate committee. For example, individuals

purchasing tickets to the testimonial are considered to have made a contribution to the candidate committee for the full amount of the purchase price and to the committee sponsoring the testimonial in the full amount of the same purchase price. In addition, the expenses paid by the sponsoring committee must be reported by the candidate's committee as an In-Kind Contribution, and the sponsoring committee's treasurer must provide the written valuation notice required for In-Kind Contributions. See section entitled "Treasurer to Provide Written Valuation of In-Kind Contributions made to Other Committees," on Page 29 of this Guide.

(Section 9-333k(b), General Statutes)

Prohibition on Gifts, Compensation and Honoraria to Elected Officials

No political committee may make a gift, compensate or provide an honorarium to any elected public official for any speaking engagement or other services rendered on the committee's behalf except through such public official's candidate committee, if applicable. However, a public official may be reimbursed for actual travel expenses incurred by the official or member of the official's immediate family in connection with the engagement. The official or the member of the official's immediate family may consume, food and beverage offered by the committee in connection with the speaking engagement or other services rendered; any gift or honorarium may only be made as a contribution to such official's candidate committee provided that it is reported on the committee's campaign finance disclosure statement.

(Section 9-333i(h), General Statutes)

Promise of Public Appointment or Position of Trust

No individual may, in order to influence his nomination or election or that of any other individual, promise to appoint or secure the appointment of any other individual to any public office or to any position of honor or trust.

(Section 9-333x(6), General Statutes)

XI. WOMEN'S CLUBS

Women's Clubs historically were established primarily to further the goals of the local political party in a municipality. A women's club must register as a political committee with the Secretary of the State or municipal clerk, as the case may be, and conform in every respect to those provisions of Chapter 150 applicable to a political committee established by two or more individuals for ongoing political activities. A separate checking account must be established in a Connecticut financial institution. This is referred to as the "political account" in the explanation that follows.

In recognition that women's clubs have also traditionally engaged in activities of a social or otherwise non-political nature, the State Elections Enforcement Commission has permitted these clubs to establish a second checking account for the deposit of funds raised exclusively for civic, social and other non-political activities. If the club decides to maintain a non-political account, the treasurer is required to disclose to the filing repository only those funds deposited into and expended from the political account under Chapter 150. If the club maintains only a political account, all funds received or expended, whether of a social or political nature, must be publicly disclosed by the treasurer in the committee's disclosure

statement. No monies other than those raised for campaign purposes and deposited in the club's political account may be expended on Connecticut political campaigns.

The non-political account can be used for the deposit of funds received in connection with any fund-raising event or drive for a specified non-political purpose. The social or non-political purpose of the event or drive should be made known to all prospective donors to the account.

By contrast, the political account may only be used for the deposit of club dues, donations to political campaigns, and for the payment of the club's general operating expenses.

The State Elections Enforcement Commission has permitted the club's charitable or memorial contributions to be made from either account. However, it is important to remember that in all instances contributions to committees of candidates or other committees may only be made from the club's political account.

XII. PUBLIC RECORDS

The registration and disclosure statements filed on behalf of political committees are available for public inspection at the office of the Secretary of the State or Town Clerk, as the case may be. These statements are required to be kept by the filing repository for five (5) years from the date of filing.

(Section 9-333j(c)(4), General Statutes)

XIII. COMPLAINTS

Who May Bring a Complaint?

Any individual may bring a complaint to the State Elections Enforcement Commission requesting that an investigation be made into any alleged violation of the State election laws.

The State Elections Enforcement Commission on its own initiative may also decide to conduct an investigation into any possible violation of the State election laws.

(Section 9-7b, General Statutes)

Form of Complaint

All complaints filed with the Commission must be in writing and sworn to under oath by the complainant.

A pre-printed form, which is available at both the State Elections Enforcement Commission's offices and at its website (www.seec.state.ct.us), may be used to file complaints. A complaint may also be filed in letter form provided that it is sworn to under oath.

Complaints must be submitted with an original signature of the complainant. No copies or facsimiles will be accepted.

Complaints should include the following:

- The legal name, address and telephone number of the person filing the complaint.

- A clear and concise statement of the facts including:
 1. The date of the alleged violation(s);
 2. The identity of the person(s) alleged to have committed the violation(s);
 3. The identity of any person(s) who may have knowledge of the facts asserted in the complaint; and
 4. Any other document, written material or other information known to the complainant and having a bearing on the violation(s) alleged in the complaint.

XIV. DECLARATORY RULINGS

Who may request a Declaratory Ruling?

Any individual or entity may request a declaratory ruling from the State Elections Enforcement Commission.

What May Be the Proper Subject of a Declaratory Ruling?

The subject of a declaratory ruling may concern the applicability of any provision of Chapter 150 of the General Statutes, or any regulation promulgated by the State Elections Enforcement Commission, with respect to a course of action contemplated by the person seeking the ruling.

Formal Requirements for a Declaratory Ruling

A request for a declaratory ruling must contain the following:

1. An original signature, address, and telephone number of the person(s) requesting the opinion;
2. A clear and concise statement of the issue;
3. A statement that the course of action contemplated by the person is real and not hypothetical or imaginary;
4. An identification of the particular aspect of the provisions of Chapter 150 of the General Statutes or regulation to which the request is addressed; and
5. Any facts and arguments that support the position of the person making the inquiry.

The declaratory ruling procedures may not be used to challenge the legality or legal sufficiency of another person's actions; rather the complaint process must be used for that purpose.

Notice Procedures Relating To Declaratory Rulings

A declaratory ruling request must be mailed to the State Elections Enforcement Commission or delivered in person during normal business hours.

If the Commission determines a declaratory ruling will not be rendered, it will, within thirty (30) days of such determination, notify the person(s) requesting the same of its denial.

The State Elections Enforcement Commission may give notice to other persons that a declaratory ruling has been requested and the Commission may receive and consider facts, arguments and opinions from them.

Opinions of Counsel

Opinions of Counsel differ in effect from Declaratory Rulings or Advisory Opinions of the Commission. They may be requested informally from the Executive Director & General Counsel of the Commission and are not binding on the Commission; however, the person to whom an Opinion of Counsel is rendered may rely upon the opinion with respect to any matter subsequently brought before the Commission upon the same facts addressed in the opinion. Please contact any member of the State Elections Enforcement Commission’s legal staff for assistance in requesting an Opinion of Counsel.

XV. CONCLUSION

This Guide was intended to clarify and summarize the most important provisions relating to Connecticut’s campaign financing requirements relevant to political committees established for political activities by two or more individuals, business entities and organizations.

Inquiries regarding campaign financing requirements, legal interpretations of the State Elections Enforcement Commission as well as complaints and requests for Declaratory Rulings may be addressed to:

State Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, Connecticut 06106-1628

Jeffrey B. Garfield, Executive Director & General Counsel

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Fax No.....Area Code (860) 566-4402
URL<http://www.seec.state.ct.us>
E-Mailseec@po.state.ct.us

Requests for copies of the published calendar of specific filing dates and committee registration and disclosure statements may be obtained from the State Elections Enforcement Commission and also from:

Office of the Secretary of the State
Elections Services Division
P.O. Box 150470
30 Trinity Street
Hartford, Connecticut 06115

Tel No.Area Code (860) 509-6101
Fax No.....Area Code (860) 509-6127
URL<http://www.sots.state.ct.us>

XVI. EXPENDITURE CODE DEFINITIONS AND USES

A ADVERTISING. Use “A” for expenditures associated with the cost of radio, television, newspaper, magazine and outdoor advertising such as the rental of billboard space, or property rental for placement of yard signs, etc. This should be distinguished from the cost of printing lawn or yard signs or graphic design services for the layout, preparation or design of advertising which would be coded either as “PR” (PRINTING) or “PC” for PROFESSIONAL CONSULTING SERVICES, as the case may be (see explanation of these codes below).

B BANK. Use “B” for payments made for bank charges including check printing fees; but not for a repayment on a bank loan. Use “L” for repayments on a loan.

C CONTRIBUTIONS TO OTHER COMMITTEES. Use “C” for contributions made directly to another committee or another candidate, other than a payment for services or reimbursement for shared expenses. Use “RC” for reimbursements to other committees or candidates for shared expenses or “P” for Payments to Other Committees for Services (see below).

CC CREDIT CARD PAYMENTS. Use “CC” for payments made to credit card companies used by the committee. Following completion of all of the information contained in this horizontal row, go immediately to the next and succeeding horizontal row or rows and follow the instructions for a secondary payee “SP-” with respect to those vendors and other entities paid by the credit card company as set forth on the most recent credit card billing invoice to the committee.

CP CAMPAIGN PARAPHERNALIA. Use “CP” for costs for producing items to be sold or given away by committee, such as pins, hats, bumper stickers, tee shirts, etc.

CH CHARITY. Use “CH” for contributions by a party committee or ongoing political committee to a charitable organization which is tax-exempt under Section 501(c) (3) of the Internal Revenue Code.

F FUND-RAISING EVENTS. Use “F” for expenditures associated with holding a fundraiser, including payments to restaurants, hotels, caterers, food and beverage vendors, entertainers and speakers. That subcategory of fund-raising expenses dealing with the printing of a fund-raising

solicitation letter or a program book etc. should be coded as “PR” (PRINTING).

FG FOOD & GIFTS. Use “FG” for expenditures for food, beverage or gifts for campaign or committee workers. See limits in Sec. 9-333i(g), CGS.

G GENERAL OPERATION AND OVERHEAD. Use “G” for general campaign operating expenses and overhead, including headquarters rental, insurance, utilities, purchased office supplies, voting lists, expenses for telephones, subscriptions, purchase or rental of office equipment and furniture and maintenance and repair of same, and similar overhead operating expenses.

I INAUGURALS. Use “I” for expenditures relating to an elected candidate's inauguration made by that elected candidate's candidate committee.

L LOAN. Use “L” for repayments made on a loan, whether payment of principal, or interest, or both.

P PAYMENTS TO OTHER COMMITTEES FOR SERVICES. Use “P” for payments by a committee to another committee which are neither contributions or reimbursements, but are for services rendered (i.e., program book purchases, purchase of a mailing list, etc.).

PC PROFESSIONAL CONSULTANTS. Use “PC” for salaries, fees, and commissions paid to professional consultants, including attorneys, accountants, advertising and similar professionals. If the payment to the professional consultant includes known charges which the professional consultant has already made or will make to a secondary payee, that is, to another vendor (such as a pollster or commercial advertiser), following completion of all of the information contained in this horizontal row, go immediately to the next and succeeding horizontal row(s) and follow the instructions for a secondary payee “SP-” (see below).

PO POSTAGE. Use “PO” for expenditures for stamps, postage, bulk mail permits, post office boxes, United Parcel Service, Federal Express, and direct mail services (postage only). This should be distinguished from the printing costs or the cost of layout, preparation or design of the item being mailed, which would be coded either as “PR” (PRINTING) or “PC” (PROFESSIONAL CONSULTING SERVICES) as the case may be (see explanation of these codes herein).

PR PRINTING. Use "PR" for expenditures associated with the costs for printing and reproducing campaign literature, stationery, invitations and the like. These expenditures may include photocopy costs when billed to the campaign by a vendor (photocopy costs borne by the committee through reproduction made at headquarters would be coded as "G" for General Operation and Overhead).

RC REIMBURSEMENTS TO OTHER COMMITTEES. Use "RC" for reimbursements to other committees for shared expenses.

RW REIMBURSEMENTS TO COMMITTEE WORKERS OR THE COMMITTEE'S SPONSORED CANDIDATE. Use "RW" for reimbursements to committee workers (all committees) or to the committee's sponsored candidate (applicable only to candidate or exploratory committees). Because vendors' invoices or cash register receipts must be submitted with any reimbursement request, following completion of all of the information contained in the horizontal row applicable to this expenditure to the individual being reimbursed, go immediately to the next horizontal row or rows and follow the instructions for a secondary payee "SP-" (see below). Note that candidates have special reporting requirements to their treasurers for campaign expenses paid by the candidate (see Sec. 9-333(i)(k), C.G.S. for these requirements).

S SURVEYS AND POLLS. Use "S" for expenditures associated with the design or production of any poll, report on election trends, voter survey, telemarketing, telephone banks, etc.

SD SURPLUS DISTRIBUTION. Use "SD" for expenditures which are distributions of surplus in connection with the termination and dissolution of a candidate or exploratory committee.

SP- SECONDARY PAYEE OR BENEFICIARY. Use "SP-" as a coded purpose for an expenditure whenever the reported expenditure to the primary or principal payee is known to include charges which the primary payee has already paid or will pay directly to another person, vendor or entity. This will typically arise in the context of reimbursements to campaign workers or candidates ("RW"), payments to credit card companies ("CC"), or payments to professional consultants ("PC") where invoices were received from the primary payee which indicated charges paid or to be paid by such principals to secondary vendors. Immediately following the horizontal row where the report of this

expenditure to the primary payee is made, on the next succeeding line or lines, complete the name & address of the secondary payee, followed by the expenditure code "SP-" (including the dash "-") followed by the coded purpose of the payment (if known) which the primary payee made to the secondary vendor or secondary payee. For example, if a professional consultant made a payment to the Hartford Courant for a full page ad, the Hartford Courant, Broad Street, Hartford will be set forth in the name & address column, and the purpose of the expenditure column will be "SP-A" (reflecting the fact that a payment was made by the professional consulting firm to the Hartford Courant for an advertisement). Note that only that the secondary amount will be filled in (reflecting the amount that the primary payee paid to the secondary vendor or entity) and that the Amount Column on the right hand side will be left completely blank whenever the Purpose of Expenditure by Code column is "SP-." Also, if the purpose of the secondary payment is not known, the coded purpose should be reported only as "SP-." Lastly, for payments to credit card companies, each charge invoiced by the credit company should be reflected as a secondary payment by name and address of the secondary payee irrespective of the size of the secondary amount. However, for secondary payments arising in other contexts, such as payments to professional consultants or reimbursements to committee workers or candidates, secondary payments of amounts of \$100.00 or less do not have to be reported in this manner, provided of course that the primary payment is fully reported (as must always the case).

T TRAVEL, LODGING & MEALS. Use "T" for expenditures made for authorized travel of committee workers or the candidate (candidate or exploratory committees), such as vehicle expenses, gasoline, lodging and meals.

W WAGES, SALARIES, BENEFITS. Use "W" for expenditures associated with compensation paid to in-house staff. Professionals who are paid for outside consulting services are expenditures which should be coded as "PC" (PROFESSIONAL CONSULTING SERVICES).

M MISCELLANEOUS. Use this category for an expenditure only when it does not fit within any of the previous categories. Specify purpose when over \$100 dollars.

Permissible Contributions

Aggregate Dollar Limits^a

Contributor Sources^b	<i>Received by an Ongoing Political Committee formed by two or more Individuals</i>	<i>Received by an Ongoing Political Committee formed by a Business Entity</i>	<i>Received by an Ongoing Political Committee formed by an Organization</i>
Individual^c	1,000	1,000	500
Party Committee^d	Unlimited	Unlimited	Unlimited
Candidate or Exploratory Committee	Surplus Only ^e	Surplus Only ^e	Surplus Only ^e
Political Committee formed by two or more Individuals	2,000 ^f	2,000 ^f	2,000 ^f
Political Committee formed by a Business Entity	2,000	Unlimited	2,000
Political Committee formed by an Organization	2,000	2,000	2,000
Referendum Committee	Prohibited ^g	Prohibited ^g	Prohibited ^g

- a) For ongoing political committees aggregate contribution limits are calendar year limits.
- b) Only contributions from political and party committees that are registered in Connecticut may be accepted, with the exception set forth in footnote d.
- c) A individual less than 16 years of age may not contribute more than \$30 dollars.
Individuals contributing to a political committee formed by a business entity do not have to be in the management of that business or connected in any way to that business.
Only individuals who are members of the organization may make contributions to the organization's political committee, and only if the organization's political committee is not treasury funded.
- d) Contributions from a national committee of a political party may be accepted without limit provided that any such contribution is from the national party committee's federal account on file with the Federal Election Commission which contains only funds subject to the limits prescribed in the Federal Election Campaign Act. (No transfers from "soft money" accounts.)
- e) Only when the candidate or exploratory committee terminates with a surplus. Please see section entitled, "What Contributions May Be Lawfully Accepted by a Political Committee?" on Page 15.
- f) Except for political committees established for a slate of candidates for a town committee primary, which are prohibited. For other State Committees please see section entitled, "What Contributions May Be Lawfully Accepted by a Political Committee?" on Page 15.
- g) A referendum committee might be able to distribute its surplus upon termination dependent on how it was funded. Please see section entitled, "What Contributions May Be Lawfully Accepted by a Political Committee?" on Page 15.